

CITY OF AGOURA HILLS, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2018

Prepared by:
Finance Department

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CITY OF AGOURA HILLS, CALIFORNIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED JUNE 30, 2018

TABLE OF CONTENTS

	<u>Page(s)</u>
INTRODUCTORY SECTION	
Letter of Transmittal	i
List of Elected and Administrative Officials	vi
Organizational Structure	vii
Certificate of Award	viii
FINANCIAL SECTION	
Independent Auditors' Report	1
Management's Discussion and Analysis (Unaudited).....	5
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Position	16
Statement of Activities.....	17
Fund Financial Statements	
Balance Sheet – Governmental Funds	18
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	21
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	22
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	24
Statement of Fiduciary Net Position.....	25
Statement of Changes in Fiduciary Net Position Private-Purpose Trust Fund.....	26
Notes to Basic Financial Statements	29

CITY OF AGOURA HILLS, CALIFORNIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED JUNE 30, 2018

TABLE OF CONTENTS

	<u>Page(s)</u>
REQUIRED SUPPLEMENTARY INFORMATION (Unaudited):	
General Fund – Budgetary Comparison Schedule	62
Housing Successor – Budgetary Comparison Schedule	63
Note to Required Supplementary Information	64
Schedule of Changes in Net OPEB and Related Ratios.....	65
Schedule of Contributions – OPEB	66
Schedule of Proportionate Share of the Net Pension Liability – Cost Sharing Plan	67
Schedule of Plan Contributions – Cost Sharing Plan	68
 SUPPLEMENTARY INFORMATION	
Nonmajor Funds:	
Description of Nonmajor Governmental Funds.....	70
Combining Balance Sheet	72
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	78
 Special Revenue Funds-Budgetary Comparison Schedules	
Traffic Improvement	83
Traffic Safety	84
Transit Tax (Prop A).....	85
Public Transit (Prop C).....	86
Air Quality Management.....	87
Community Development Block Grant.....	88
Supplemental Law Enforcement	89
Solid Waste Management.....	90
State Gas Tax Fund	91
Measure R.....	92
Other Grants	93
Inclusionary Housing.....	94
Utility Undergrounding.....	95
Road Rehab	96
Measure M	97
 Capital Projects Fund-Budgetary Comparison Schedules	
Measure R Capital Projects Fund	98
Recreation Center Capital Projects Fund	99
Storm Water Capital Projects Fund	100
Capital Projects Fund.....	101
 Debt Service Funds-Budgetary Comparison Schedules	
Financing Authority	102
Agoura Hills Improvement Authority	103
 Fiduciary Fund	
Description of Agency Funds	105
Statement of Changes in Assets and Liabilities-All Agency Funds	106

CITY OF AGOURA HILLS, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2018

TABLE OF CONTENTS

	<u>Page(s)</u>
STATISTICAL SECTION (Unaudited)	
Net Position by Component	110
Changes in Net Position	112
Program Revenues by Function/Program	114
Fund Balances, Governmental Funds.....	116
Changes in Fund Balances, Governmental Funds.....	118
Tax Revenues by Source, Governmental Funds.....	120
Assessed Value and Estimated Value of Taxable Property	121
Direct and Overlapping Property Tax Rates	122
Principal Property Tax Payers	123
Secured Property Tax Levies and Collections.....	124
Taxable Sales by Category	125
Direct and Overlapping Sales Tax Rates	126
Ratios of Outstanding Debt by Type.....	127
Ratio of Net General Bonded Debt Outstanding.....	128
Direct and Overlapping Governmental Activities Debt	129
Legal Debt Margin Information	130
Demographic and Economic Statistics	132
Principal Employers	133
Full-time Equivalent City Government Employees by Function/Program.....	134
Operating Indicators by Function/Program	136
Capital Asset Statistics by Function/Program.....	138

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INTRODUCTORY SECTION

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"Gateway to the Santa Monica Mountains National Recreation Area"

December 14, 2018

**Honorable Mayor and Members of the City Council
Citizens of the City of Agoura Hills, California**

The City (City) of Agoura Hills is pleased to submit its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2018. The CAFR represents a complete set of financial statements presented in conformity, with generally accepted accounting principles (GAAP), and audited, in accordance with generally accepted auditing standards, by a firm of licensed certified public accountants.

Responsibility for the accuracy of the data and the fairness of presentation, including all footnotes and disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All material, statements, and disclosures, necessary to enable the reader to gain an understanding of the City's financial activities, have been included. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft or misuse, and to compile sufficient reliable information for the preparation of the City's financial statements, in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. As management, we attest that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

The City's financial statements have been audited by Lance, Soll & Lunghard, LLP, an accounting firm fully licensed and qualified to perform audits of state and local governments within the State of California. The independent audit involved: examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and, evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion that the City of Agoura Hills' financial statements for the fiscal year ended June 30, 2018, are fairly presented in conformity with GAAP.

The CAFR is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the City's organization chart, and a list of City officials. The financial section includes the independent auditor's report, the basic financial statements, notes to the financial statements, and the combining and individual fund financial statements. The statistical section, which is unaudited, contains

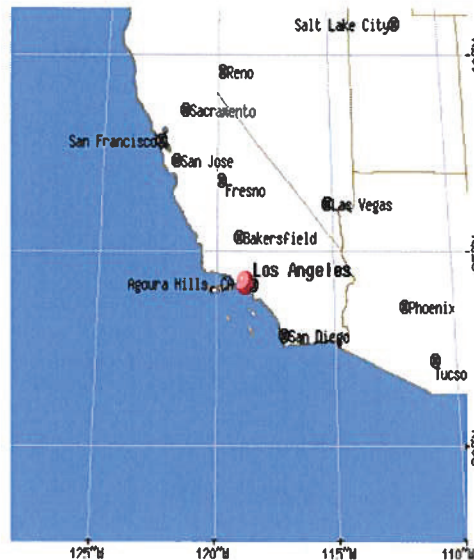
CITY OF AGOURA HILLS
Letter of Transmittal
For the Year Ended June 30, 2018

selected financial and demographic information, generally presented on a multi-year basis.

GAAP requires that management provide a narrative introduction, overview, and analysis, to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the City's MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE CITY OF AGOURA HILLS

Perched on the western edge of Los Angeles County in the foothills of the Santa Monica Mountains, Agoura Hills is located just forty-five minutes from busy downtown Los Angeles, but is nevertheless rich with undulating hills and inspiring canyons. Agoura Hills was incorporated December 8, 1982. It is 7.86 square miles in size and has an average climate of 65 degrees Fahrenheit. The City has an altitude of 936 feet to 2,036 feet. Agoura Hills is one of the smaller communities in Los Angeles County, with a population of only 21,018.



The City of Agoura Hills is governed by the City Council/City Manager form of government. A five-member City Council is elected by the residents to oversee City operations and to guide the future development of the community. The terms are staggered so that a measure of continuity is maintained in the transitions from one Council to the next. The Mayor is selected annually by the City Council to serve a one-year term.

The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and appointing a City Manager and City Attorney. The City Council members also serve as the governing body of the following:



- ❖ Public Facilities Corporation
- ❖ Public Financing Authority
- ❖ Parking Authority
- ❖ Improvement Authority

In addition, the City Council appoints the members of the Planning Commission and has representation on the following Boards:

CITY OF AGOURA HILLS
Letter of Transmittal
For the Year Ended June 30, 2018

- ❖ Agoura Hills/Calabasas Community Center Board
- ❖ Las Virgenes/Malibu Council of Governments
- ❖ Santa Monica Mountains Conservancy

The City provides a full range of services, some of which are contracted through outside agencies and/or firms. These services include law enforcement, highways and roads, landscaping services, planning and zoning, building and environmental safety, emergency preparedness, and general administrative services. Certain services are provided by Public Facilities Corporation, the Public Financing Authority and the Improvement Authority. The Agoura Hills City Council exercises financial accountability over each entity, and city staff manages the operations of each of these organizations. These component units function, in essence, as departments of the City of Agoura Hills and therefore have been included as an integral part of the City of Agoura Hill's financial statements. Additional information on these entities can be found in note 1.a. of these financial statements.

For many centuries, the area that would become Agoura Hills was familiar territory for Native Americans who wandered inland from their hunts along the sea in search of game and other food. The permanent arrival of the Spanish in the late 1700s banished the Indians from their homes and introduced a ranching culture that would linger into the early twentieth century. In the 1900s, vast cattle and sheep ranches conceded ground to rows of lettuce and celery, orchards, and wheat fields. Ranching and agriculture eventually diminished in importance. Ranchers began dividing their property and selling individual tracts for housing.



From the outset, ranchers and farmers had worried about water supplies and the citizens of Agoura Hills into the mid-1950s shared those concerns. At that time, provision of outside sources of water helped ensure the growth of the community, aided by the new highways, which acted as a conduit for fresh faces and commercial development and contributed to the maturation of Agoura Hills.

The City is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund and department. The City Manager has the authority to transfer between expenditure accounts within the same department, office, agency, or program activity.

LOCAL ECONOMY

CITY OF AGOURA HILLS
Letter of Transmittal
For the Year Ended June 30, 2018

Agoura Hills is one of the wealthier communities in California with a median home value of \$847,700, which is 1.4 times that of Los Angeles County. The median age of Agoura Hills' residents in 2018 was 45, and the unemployment rate is at 4.4%, compared with 4.8% in Los Angeles County.

The City of Agoura Hill's financial position is strong. The largest revenue source is sales tax. Agoura Hills entices companies to relocate to and remain in the City by charging a low business license fee. As a result, the City enjoys a strong and diverse business and retail base, both of which contribute to revenue received through sales tax.

LONG-TERM FINANCIAL PLANNING

The unassigned fund balance in the General Fund (sixty-seven percent of total general fund expenditures and operating transfers) falls within the policy guidelines set by the Council for budgetary and planning purposes. In June 2005, the City adopted Resolution No. 05-1378, stating the City Council and City Staff will endeavor to designate an amount equal to or greater than forty percent (40%) of each year's proposed General Fund Operating Budget as the City's unobligated General Fund Reserve.

MAJOR INITIATIVES

In November 2008, the County of Los Angeles approved Measure R by a two-thirds majority, committing a projected \$40 billion to traffic relief and transportation upgrades throughout the county over the next 30 years. The City of Agoura Hills is scheduled to receive approximately \$40.6 million of these monies through 2018/19. Projects slated for the monies include the Chesebro/Palo Camodo Interchange (PR), and the Agoura Road Signal (design). The City utilized \$2.5 million in Measure R monies during the 2017/18 fiscal year, primarily on the Agoura Road Widening and Chesebro Bridge Projects.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Agoura Hills for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2017. This was the eighth year that the City achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government entity must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the Finance Department staff. I would also like to express my appreciation to all departments within the City who provided assistance and support.

CITY OF AGOURA HILLS
Letter of Transmittal
For the Year Ended June 30, 2018

Sincere appreciation is also expressed to the City Manager, Mayor, and members of the City Council for their support in planning and conducting the operations of the City in a responsible and progressive manner.

Respectfully submitted,

CITY OF AGOURA HILLS

A handwritten signature in blue ink, appearing to read 'Christy Pinuelas', is written over a light blue horizontal line.

Christy Pinuelas
Director of Finance

CITY OF AGOURA HILLS

Fiscal Year 2017-2018



City Officials

William Koehler, Mayor
Linda Northrup, Mayor Pro Tem
Harry Schwarz, Councilmember
Denis Weber, Councilmember
Illece Buckley Weber, Councilmember

Greg Ramirez, City Manager
Nathan Hamburger, Assistant City Manger
Louis Celaya, Deputy City Manager
Doug Hooper, Planning Director
Christy Pinuelas, Director of Finance
Ramiro Adeva, Director of Public Works
Kimberly Rodriques, City Clerk
Amy Brink, Director of Community Services
Amir Hamidzadeh, Building Official

CITY OF AGOURA HILLS

ORGANIZATIONAL STRUCTURE

AGOURA HILLS RESIDENTS



Harry Schwarz
Councilmember



Linda Northrup
Mayor Pro Tem



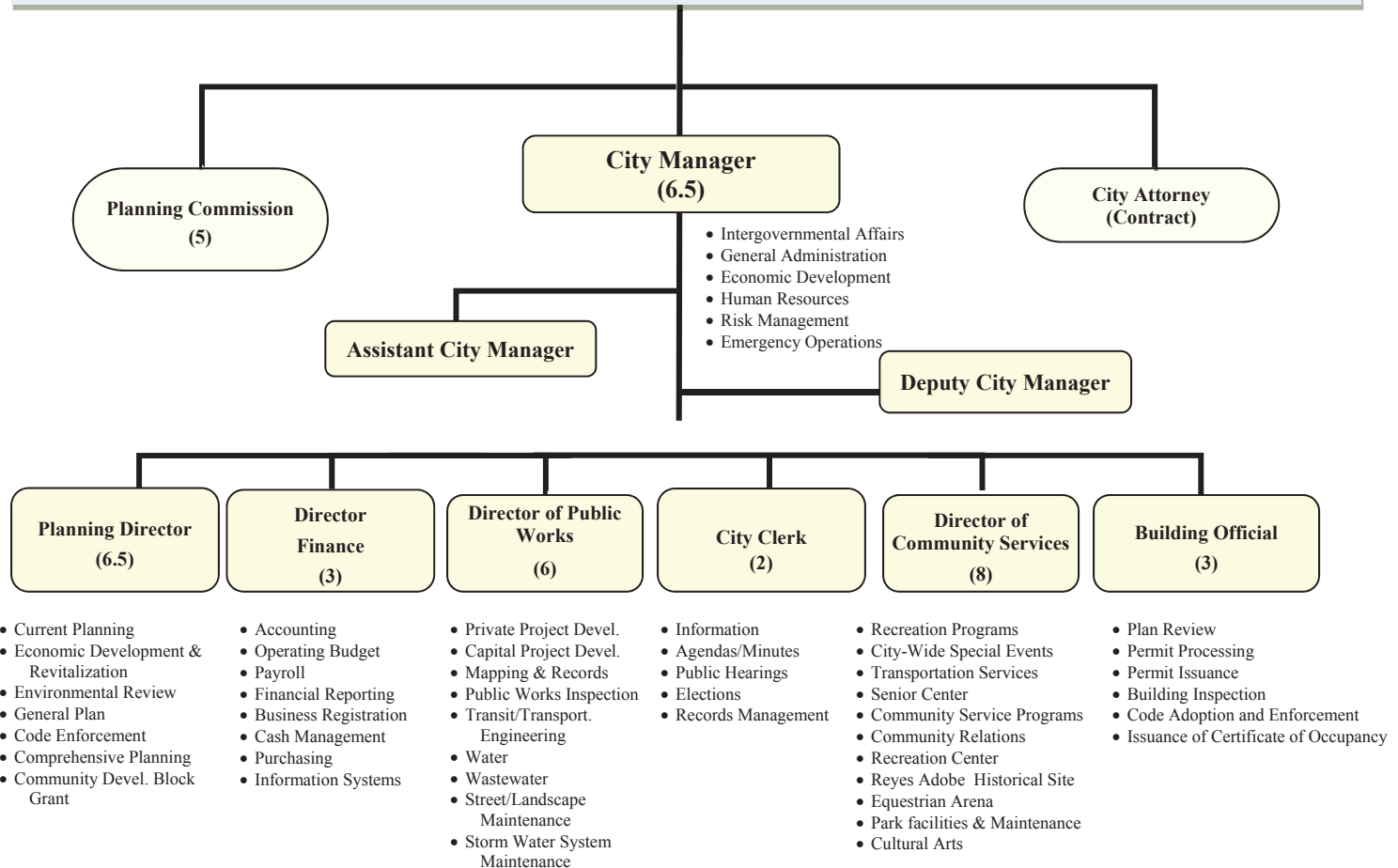
William Koehler
Mayor



**Illece Buckley
Weber**
Councilmember



Denis Weber
Councilmember



All police and fire services are provided to residents through a contract with the Los Angeles County Sheriff's Department and Consolidated Fire Protection District of Los Angeles County. The City receives fire protection and paramedic services as well as wild fire land fire protection and forestry service from Department of Forester and Fire Warden.



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Agoura Hills
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Agoura Hills, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of City of Agoura Hills, California, (the City) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



To the Honorable Mayor and Members of the City Council
City of Agoura Hills, California

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Agoura Hills, California, as of June 30, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, in 2018 the City adopted new accounting guidance, *GASB No. 75, Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis; the budgetary comparison schedules for the general fund and Successor Housing Agency major special revenue fund; schedules of plan contributions; the schedule of proportionate share of the net pension liability; and the schedule of changes in net OPEB liability and related ratio be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.



To the Honorable Mayor and Members of the City Council
City of Agoura Hills, California

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2018 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Lance, Soll & Lughard, LLP

Brea, California
December 14, 2018

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CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2018

Management's Discussion and Analysis (MD&A) is presented as a supplement to the City of Agoura Hills' (City) financial statements. The MD&A offers an objective narrative of the City's financial activities based upon facts, decisions, and conditions known to management as of the auditor's report date for the fiscal year ended June 30, 2018. Readers are encouraged to utilize this report in conjunction with the information outlined in the City's financial statements and notes to the financial statements (found on subsequent pages). A summary of the fiscal year's financial picture immediately follows.

FINANCIAL HIGHLIGHTS

- ❖ On June 30, 2018, the City's net position (excess of assets and deferred inflows/outflows of resources over liabilities) was \$147.2 million. Of this amount, \$36.5 million is classified as unrestricted.
- ❖ During the fiscal year ended June 30, 2018, the City's total net position increased by \$2.3 million.
- ❖ As of June 30, 2018, the unassigned fund balance for the General Fund was \$10.4 million or 67 percent of total General Fund expenditures and operating transfers.
- ❖ The City's governmental funds reported combined ending fund balances of \$40.3 million, an increase of \$2.7 million compared with the prior fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The report also contains other supplementary information in addition to the basic financial statements themselves.

The basic financial statements include the City (primary government) and all legally separate entities for which the City is financially accountable. The City's component units consist of the following: The Public Facilities Corporation, The Improvement Authority, the Parking Authority and the Public Financing Authority. These component units have been included in the basic financial statements, as an integral part of the primary government, using the blended method.

Government-Wide Financial Statements

The Government-Wide Financial Statements present the financial picture of the City and provide readers with a broad view of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets, deferred inflows/outflows of resources and liabilities, with a difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Agoura Hills is improving or deteriorating.

CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2018

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the change's underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e. uncollected taxes and unearned but unused vacation leave).

While some governmental agencies have governmental and business-type activities, the City of Agoura Hills records all activities under governmental activities.

Fund Financial Statements

The Fund Financial Statements provide detailed information about the City's major funds – not the City as a whole. Some funds are required to be established by state law (i.e. Measure R & Transit Tax) and by bond covenants. However, management establishes other funds (i.e. Other Grants) to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

The Fund Financial Statements include statements for governmental and fiduciary categories of activities. The governmental activities are reported using the current financial resources measurement focus and modified accrual basis of accounting. The following sections provide a more in-depth detailing of the fund groups.

Governmental funds are reported, in essentially the same way as governmental activities in the government-wide financial statements with an exception; governmental fund financial statements focus on near-term inflows and outflows of spendable resources and balances of spendable resources. This means governmental fund financial statements identify current sources and uses of money within the immediate fiscal year. Benefits derived include a detailed short-term view of the City's general government operations and the basic services it provides, which assist in determining whether there are sufficient financial resources available to meet the City's current needs.

Since the scope of the governmental funds is different than that of the government-wide financial statements, it is beneficial to comparatively examine information presented for the governmental funds with information presented for governmental activities in the government-wide financial statements. From this, readers gain a clearer picture of the long-term impacts current financial decisions might yield. When examined together, the governmental funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances provide the reader with a different snapshot that identifies variances between the two different methodologies of governmental activities and governmental funds.

The major governmental funds include The General Fund, Successor Housing Agency Special Revenue Fund, and the Measure R Capital Projects Fund, which are reported in detail in the Governmental Fund Financial Statements. All other funds are shown in the aggregate as other non-major funds. Individual fund data for other non-major governmental funds is provided in the form of supplementary information elsewhere in the report.

**CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2018**

Fiduciary Funds— the City is the trustee, or fiduciary, for certain funds held on behalf of external parties. The City's fiduciary activities are reported in separate Statements of Fiduciary Net Position. These activities are excluded from the City's other financial statements because the resources of these funds are not available to support the City's own programs. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements.

Required Supplementary Information

In addition to the basic financial statements, this report also presents certain Required Supplementary Information, including the City's budgetary schedules.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

Net position is a good indicator of the City's financial position. For the fiscal year ended June 30, 2018, net position of the City was \$147.2 million, which is an increase of \$1.4 million from the prior year.

Following is the condensed Statement of Net Position for the fiscal years ended June 30, 2018 and 2017.

**City of Agoura Hills Net Position
As of June 30, 2018 and 2017**

	<u>2018</u>	<u>2017</u>
Current and other assets	\$ 48,317,762	\$ 47,690,709
Capital assets	120,422,625	118,660,686
Total Assets	<u>168,740,387</u>	<u>166,351,395</u>
Deferred outflows	2,193,551	1,539,916
Current liabilities	3,372,479	3,184,287
Long-term liabilities outstanding	19,818,777	18,365,949
Total Liabilities	<u>23,191,256</u>	<u>21,550,236</u>
Deferred inflows	494,136	442,581
Net Position:		
Net investment in capital assets	109,062,997	107,036,227
Restricted	1,649,754	1,723,643
Unrestricted	36,535,795	37,138,624
Total Net Position	<u>\$ 147,248,546</u>	<u>\$ 145,898,494</u>

**CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2018**

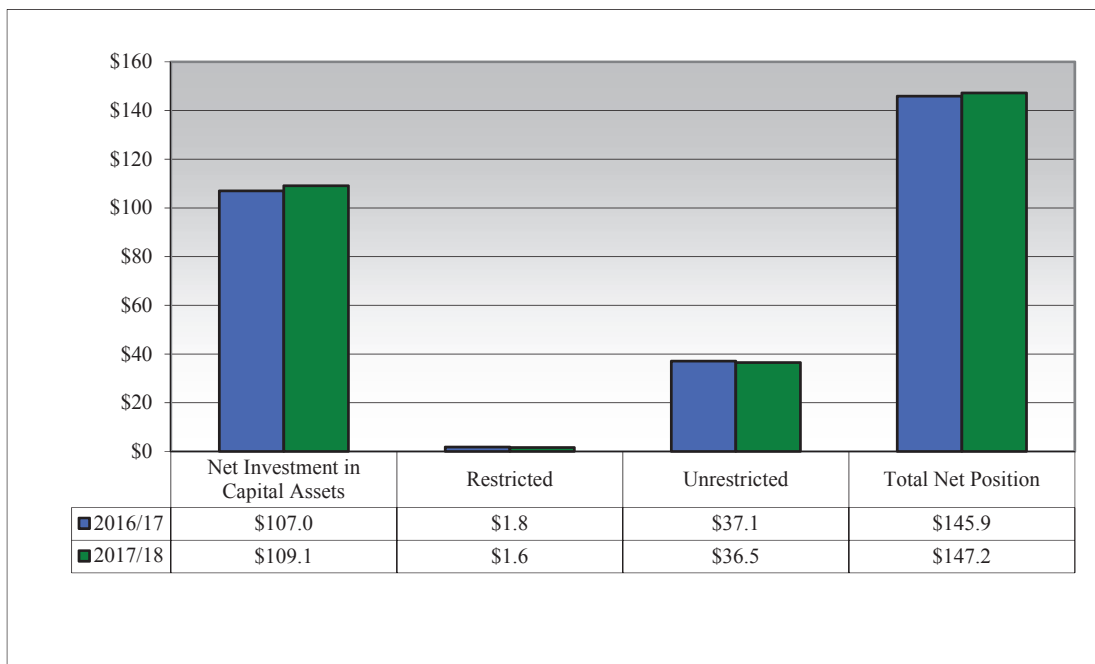
At June 30, 2018 the largest portion of net position (74 percent) consists of the City's investment in capital assets net of related debt. This component portrays the amount of funds required to acquire those assets, less any related debt used for such acquisition that is still outstanding. The City uses these capital assets to provide services to citizens. The capital assets of the City are not sources of income for repayment of debt as most assets are not revenue generating and generally are not liquidated to repay debt. Therefore, debt service payments are funded from other sources available to the City.

An additional portion of the City's net position (\$1.6 million) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$36.5 million) may be used to meet the government's ongoing obligations to citizens and creditors.

For the years ended June 30, 2018 and 2017 the City reported positive balances in all three of the categories of net position.

- ❖ The \$2.0 million increase in the City's net investment in capital assets was primarily related to Measure R Capital Projects.
- ❖ Restricted net position decreased \$73,889, which is a four percent decrease.
- ❖ Unrestricted net position decreased \$602,829, primarily due to the use of Prop A funds for the purchase of a shuttle bus, and the use of Prop C funds for a street overlay project.

The following chart shows the comparison of the three components of net position for fiscal years 2016/17 and 2017/18 (in millions).



CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2018

Statement of Activities

The following is the condensed Statement of Activities for the fiscal years ended June 30, 2018 and 2017.

Statement of Activities Changes
For the Years Ended June 30, 2018 and 2017

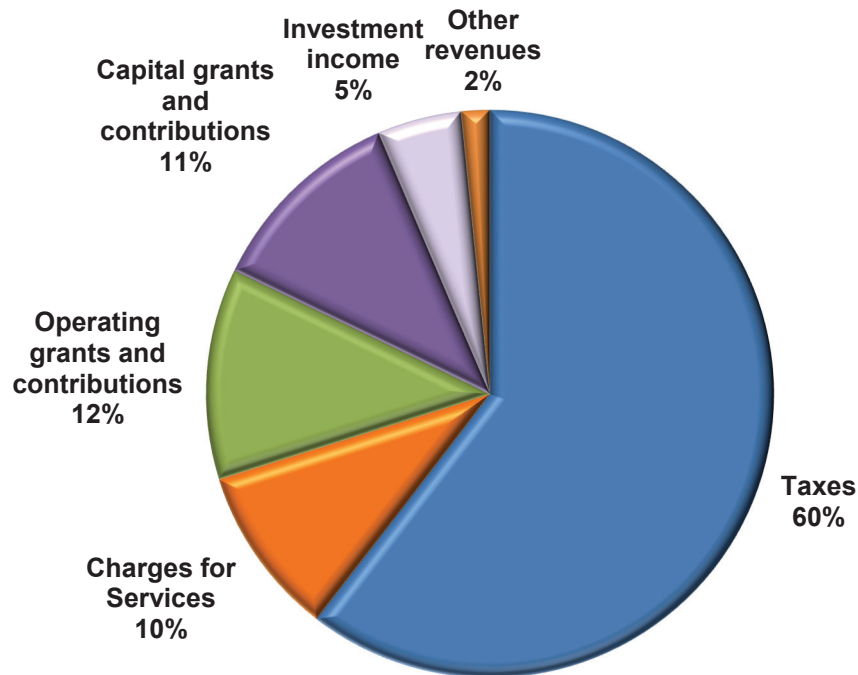
	2018	2017
Revenues:		
Program revenues:		
Charges for services	\$ 2,064,301	\$ 2,045,471
Operating grants and contributions	2,569,234	968,373
Capital grants and contributions	2,423,678	7,509,737
General revenues:		
Taxes	12,894,034	12,403,165
Investment Income	1,026,429	784,617
Other revenues	345,823	150,715
Gain on sale of capital asset	175,000	294,014
Total Revenues	21,498,499	24,156,092
Expenses:		
General government	4,840,686	4,668,415
Public safety	4,671,492	4,461,825
Public works	4,460,174	4,463,701
Community development	1,718,379	1,618,074
Community services	3,027,389	2,823,604
Interest and fiscal charges	517,386	866,327
Total Expenses	19,235,506	18,901,946
Increase in Net Position	2,262,993	5,254,146
Net Position – beginning of year as restated	144,985,553	140,644,348
Net Position – end of year	\$147,248,546	\$145,898,494

The City's activities increased net position by \$1.4 million which was a 1.0 percent increase from the prior fiscal year.

**CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2018**

Revenues by source are shown in the chart below:

**Government Activities - Revenues by Source
June 30, 2018**



Revenue highlights:

- ❖ Charges for services increased 1 percent, or \$18 thousand, in fiscal year 2017/18.
- ❖ Operating grants and contributions increased \$1.6 million or 165% in fiscal year 2017/18. This primarily relates to traffic improvement fees which were received for development and a grant for the operation of the new Event Center.
- ❖ Investment Income increased \$242 thousand, or 31 percent, primarily due to payment of the loan from the Successor Agency to the City of Agoura Hills to the City.
- ❖ Capital Grants and Contributions decreased \$5.1 million, or 68 percent, in fiscal year 2017/18 primarily due to Measure R grant revenues which were received for the Agoura Road Widening Project.

**CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2018**

Expense highlights:

Total expenses for the City's activities were \$19.2 million, \$.3 million more than the prior fiscal year.

Program revenues offset total expenses as follows:

- ❖ Those who directly benefited from programs contributed \$2.0 million in charges for services.
- ❖ The City was able to fund some of its programs through grants and contributions from outside sources or other governments for a total amount of \$5.0 million.

Functional expenses (excluding interest on debt) for the years ended June 30, 2018 and 2017 were as follows (amount in millions):

	Total Cost of Services		Percent Change	Net (Cost) Revenue of Services		Percent Change
	2017	2018		2017	2018	
General Government	\$ 4.7	\$ 4.8	2%	\$ (4.2)	\$ (4.1)	-2%
Public safety	4.5	4.7	4%	(3.5)	(3.8)	9%
Public works	4.5	4.5	0%	2.7	0.1	-96%
Community development	1.6	1.7	6%	(0.2)	(1.4)	600%
Community services	2.8	3.0	7%	(2.4)	(2.5)	4%
Total	18.1	18.7	3%	(7.6)	(11.7)	54%

In total, the net cost of services increased \$4.1 million. Highlights of the changes are:

- ❖ Public works decreased 96 percent (\$2.6 million) primarily due to the timing of reimbursement of Measure R grant monies for the Agoura Road Widening in 2017/18.
- ❖ Community development increased 600 percent (\$1.2 million) due to a capital grant received for a one-time project in 2017/18.

Financial Analysis of the City's Funds

The City of Agoura Hills only has governmental fund types whose focus is to provide information on short-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements.

As of the end of 2017/18, the City's funds reported ending fund balances of \$40.3 million, an increase of \$2.7 million in comparison with the prior fiscal year. The increase in fund balance primarily reflects a repayment of a grant for the Agoura Road Widening Project Medea Creek Restoration Project in 2017/18. Of the \$40.3 million in fund balances at fiscal year-end 2017/18, \$26.5 million is Nonspendable because it represents prepaids, land held for resale, and long-term receivables, and \$6.9 million is Restricted, Committed or Assigned to indicate that it is not available for appropriation because it had already been restricted for a variety of purposes.

CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2018

The General Fund is the chief operating fund of the City. At the end of fiscal year 2017/18, the fund balance of the General Fund was \$37.3 million, with \$26.5 million Nonspendable because it was for Land held for Resale, prepaids, and the receivable from the Successor Agency. As a measure of the General Fund's liquidity, it is useful to compare unassigned fund balance to total expenditures. At June 30, 2018, unassigned fund balance was 67 percent of total General Fund expenditures and operating transfers out.

Fund balance in the City's General Fund increased by \$650,988 in fiscal year 2017/18, when compared to a \$568,458 increase in fund balance 2016/17. In 2010/11 the General Fund received a transfer in of \$30.6 million from the Redevelopment Agency to cover a reimbursement agreement for services. In January 2011 the City executed an agreement to cover the amounts that had been advanced since April of 1988. However, due to the dissolution of the Redevelopment Agency the General Fund established an allowance for the entire amount and recorded an extraordinary loss of \$31.1 million in 2011/12. Subsequently in 2013/14 the Oversight Board to the Successor Agency approved OB Resolution No. 14-23 determining that the loan was for legitimate redevelopment purposes. In 2014/15 the California State Department of Finance (DOF) further recalculated the loan to have a balance of \$17 million. In 2015/16, with new legislation, the DOF restated the loan to \$26.2 million. For further information, see Note 15(b) to the Basic Financial Statements.

The Successor Housing Agency Fund is a special revenue fund to acquire affordable housing. This fund follows guidelines established by the State of California. The fund balance increased by \$71,057 or 18% in 2017/18. To date, the City has \$463,989 in the fund. The Measure R Capital Projects fund is established to account for grant monies received from LA METRO. These monies are used for several capital projects, including the Agoura Road Widening and the Palo Camado Interchange. Fund balance increased by \$1.4 million (31%), as the project reimbursements were received for prior years. The fund has short-term borrowing from the General Fund and the Traffic Impact Fee Fund, to assist with cashflow needs (\$2.3 million).

GENERAL FUND AND MAJOR SPECIAL REVENUE FUND BUDGETARY HIGHLIGHTS

In preparing the budget, the City attempts to estimate its revenue using realistic, but conservative, methods to budget its expenditure appropriations and activities in a prudent manner. As a result, the City Council adopts budget adjustments during the course of the fiscal year to reflect both changed priorities and availability of additional revenues to allow for expansion of existing programs. During the course of the year, the City Council amended the originally adopted budget to reappropriate prior year approved projects and expenditures and to amend the spending plan of the City.

In the General Fund, amendments between the original budget and the final budget resulted in increased revenues of \$244,612, and increased expenditures and transfers of \$40,272. The increased revenues primarily related to the sale of a capital asset related to a parcel held by the City. Expenditures remained flat, with a slight increase in Public Works for traffic related expenses. Transfers out increased \$112,300 but were offset by the proceeds from the sale of a parcel of land for \$175,000. The transfers relate to a capital improvement project and an increase in Affordable Housing. These amendments resulted in an overall budgeted increase to the fund balance of \$310,284.

**CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2018**

The City budgets on a cash basis, which includes receipt of loan repayments from the Successor Agency in the amount of \$396,656. According to General Accepted Accounting Principles (GAAP) this revenue is reflected as a receivable in the loan between the City and the Successor Agency. Finally, for budgeting purposes, the City has established a Building Fund, to set-aside monies for future capital improvements, and a CalPERS set-aside Fund to account for future retirement costs. GAAP considers these funds to be a part of the General fund. Therefore, a reconciliation is included to reflect the variance between the actual and final budget amounts. When adjusted, the City General Fund reflected a net total favorable budget variance of \$202,329, when comparing actual amounts to the final budget for the current fiscal year.

The Housing Successor Agency special revenue fund had a positive variance of \$26,206 for revenue and a positive variance of \$361 in expenditures. The net change in fund balance increased \$26,567 over the budgeted amount.

CAPITAL ASSETS

Capital assets, including infrastructure of the City, are those assets that are used in the performance of the City's functions. At June 30, 2018, net capital assets totaled \$120.4 million.

This investment in capital assets includes land, construction in progress, buildings and improvements, leased equipment, vehicles, and infrastructure. The total increase in the City's investment of capital assets, net of related debt, for the current fiscal year is \$1.8 million or 1.5 percent of capital assets net of accumulated depreciation. The increase in capital assets primarily reflects the addition of \$2.3 million in Construction in Progress, related to the Agoura Road Widening. The Agoura Road Widening Capital Project was funded through grant resources.

Major projects in fiscal year ended 2017/18 include:

- ❖ Construction in progress on the Agoura Road Widening, and the Medea Creek Restoration Capital Project.

**City of Agoura Hills Capital Assets
(Net of depreciation)**

	<u>2018</u>	<u>2017</u>
Land	\$ 13,157,883	\$ 12,766,358
Construction in progress	40,646,642	38,578,746
Building & improvements	18,674,066	18,922,893
Vehicles	246,768	90,901
Infrastructure	47,697,266	48,301,788
Total Capital Assets	<u>\$ 120,422,625</u>	<u>\$ 118,660,686</u>

Additional information on the City's capital assets can be found in Note 5 in the basic Financial Statements.

**CITY OF AGOURA HILLS
Management's Discussion and Analysis (MD&A)
For the Year Ended June 30, 2018**

LONG-TERM DEBT

At the end of the current fiscal year, the City of Agoura Hills had total debt outstanding of \$14.3 million. The City's long-term obligations as of June 30, 2018 and 2017 were as follows:

City of Agoura Hills Outstanding Debt

	2018		2017
2013 Lease Revenue Bonds	3,499,154		3,575,920
2016 Lease Revenue Refunding Bonds	10,324,881		10,591,891
Compensated Absences	470,920		440,451
Total Outstanding Debt	\$ 14,294,955		\$ 14,608,262

Additional information on the City's long-term debt can be found in Note 6 of the basic Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

In preparing the budget for 2018/19 the following factors were taken in to consideration:

- ❖ Salary bands are budgeted to adjust 6.2% which includes a new position within the Planning Department and a 2.7% cost of living adjustment. This resulted in a \$356,166 increase in salary and benefit costs.
- ❖ Several anticipated large capital projects, including Street Resurfacing (\$474 thousand), and the design phase of Palo Comado Interchange (\$9 million).

The City's operating budget for 2018/19 reflects the use of sales tax override funds provided as Measure R grant monies, for the Palo Comado Interchange.

It is anticipated that the City will remain in good financial condition throughout the fiscal year and beyond.

REQUEST FOR INFORMATION

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City of Agoura Hills Finance Department, 30001 Ladyface Court, Agoura Hills, California, 91301 or (818) 597-7319.

BASIC FINANCIAL STATEMENTS

CITY OF AGOURA HILLS, CALIFORNIA

STATEMENT OF NET POSITION
JUNE 30, 2018

	Governmental Activities
Assets:	
Cash and investments	\$ 14,970,116
Receivables:	
Accounts	2,791,314
Accrued interest	74,420
Deferred loans	385,878
Other	2,624
Advances to Successor Agency, net of allowances	26,382,298
Investment in joint venture - Community Center	1,793,851
Prepaid costs	28,172
Due from other governments	1,527,277
Land held for resale	115,000
Restricted assets:	
Cash with fiscal agent	246,812
Capital assets not being depreciated	53,804,525
Capital assets, net of depreciation	<u>66,618,100</u>
Total Assets	<u>168,740,387</u>
Deferred Outflows of Resources:	
Deferred charge on refunding	423,744
Deferred pension related items	1,580,807
Deferred other post-employment benefit-related items	<u>189,000</u>
Total Deferred Outflows of Resources	<u>2,193,551</u>
Liabilities:	
Accounts payable	2,685,279
Accrued liabilities	89,234
Accrued interest	89,947
Unearned revenue	178,276
Deposits payable	329,743
Noncurrent liabilities:	
Due within one year	619,442
Due in more than one year	13,675,513
Net other post employment benefits liability	1,044,000
Net pension liability	<u>4,479,822</u>
Total Liabilities	<u>23,191,256</u>
Deferred Inflows of Resources:	
Deferred pension related items	456,136
Deferred other post-employment benefits-related items	<u>38,000</u>
Total Deferred Inflows of Resources	<u>494,136</u>
Net Position:	
Net investment in capital assets	109,062,997
Restricted for:	
Capital projects	152,816
Debt service	269,593
Air quality improvement	37,940
Affordable housing programs	463,989
Grant programs	63,436
Transportation services	662,039
Unrestricted	<u>36,535,736</u>
Total Net Position	<u>\$ 147,248,546</u>

The notes to financial statements are an integral part of this statement.

CITY OF AGOURA HILLS, CALIFORNIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

	Expenses	Program Revenues		Capital Contributions and Grants	Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Contributions and Grants		Total Governmental Activities
Functions/Programs					
Primary Government:					
Governmental Activities:					
General government	\$ 4,840,745	\$ 167,941	\$ 571,628	\$ -	\$ (4,101,176)
Public safety	4,671,492	818,733	79,705	-	(3,773,054)
Community development	1,718,379	354,455	-	13,722	(1,350,202)
Community services	3,027,389	493,827	-	-	(2,533,562)
Public works	4,460,115	229,345	1,917,901	2,409,956	97,087
Interest on long-term debt	517,386	-	-	-	(517,386)
Total Governmental Activities	19,235,506	2,064,301	2,569,234	2,423,678	(12,178,293)
General Revenues:					
Taxes:					
Property taxes, levied for general purpose					5,345,592
Transient occupancy taxes					2,788,088
Sales taxes					3,924,897
Franchise taxes					835,457
Use of money and property					1,026,429
Other					345,823
Gain on sale of capital asset					175,000
Total General Revenues					14,441,286
Change in Net Position					2,262,993
Net Position at Beginning of Year					145,898,494
Restatement of Net Position					(912,941)
Net Position at End of Year					\$ 147,248,546

The notes to financial statements are an integral part of this statement.

CITY OF AGOURA HILLS

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018**

	<u>General</u>	<u>Special Revenue Fund Successor Housing Agency</u>	<u>Capital Projects Funds Measure R</u>
Assets:			
Cash and investments	\$ 8,458,172	\$ 464,421	\$ 99,596
Receivables:			
Accounts	827,188	-	1,787,317
Accrued interest	74,420	-	-
Deferred loans	-	72,431	-
Other	2,624	-	-
Prepaid costs	28,172	-	-
Due from other governments	921,953	-	494,142
Due from other funds	1,982,923	-	-
Advances to Successor Agency	26,382,298	-	-
Land held for resale	115,000	-	-
Restricted assets:			
Cash and investments with fiscal agents	-	-	-
Total Assets	\$ 38,792,750	\$ 536,852	\$ 2,381,055
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):			
Liabilities:			
Accounts payable	\$ 1,244,311	\$ -	\$ 1,115,707
Accrued liabilities	80,430	432	6,723
Unearned revenues	-	-	-
Deposits payable	-	-	-
Due to other funds	-	-	2,324,986
Total Liabilities	1,324,741	432	3,447,416
Deferred Inflows of Resources:			
Unavailable revenues	205,955	72,431	2,196,694
Total Deferred Inflows of Resources	205,955	72,431	2,196,694
Fund Balances (Deficits):			
Nonspendable:			
Prepaid costs	28,172	-	-
Land held for resale	115,000	-	-
Advances to other funds	26,382,298	-	-
Restricted for:			
Capital Projects	-	-	-
Debt service	-	-	-
Air quality improvement	-	-	-
Affordable housing programs	-	463,989	-
Grant programs	-	-	-
Transportation services	-	-	-
Committed to:			
Capital Projects	203,053	-	-
Waste management programs	-	-	-
Housing programs	-	-	-
CalPERS Set Aside	146,975	-	-
Assigned to:			
Capital Projects	-	-	-
Debt service	-	-	-
Unassigned	10,386,556	-	(3,263,055)
Total Fund Balances (Deficits)	37,262,054	463,989	(3,263,055)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 38,792,750	\$ 536,852	\$ 2,381,055

The notes to financial statements are an integral part of this statement.

CITY OF AGOURA HILLS

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018**

	Other Governmental Funds	Total Governmental Funds
Assets:		
Cash and investments	\$ 5,947,927	\$ 14,970,116
Receivables:		
Accounts	176,809	2,791,314
Accrued interest	-	74,420
Deferred loans	313,447	385,878
Other	-	2,624
Prepaid costs	-	28,172
Due from other governments	111,182	1,527,277
Due from other funds	463,763	2,446,686
Advances to Successor Agency	-	26,382,298
Land held for resale	-	115,000
Restricted assets:		
Cash and investments with fiscal agents	246,812	246,812
Total Assets	\$ 7,259,940	\$ 48,970,597
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):		
Liabilities:		
Accounts payable	\$ 325,261	\$ 2,685,279
Accrued liabilities	1,649	89,234
Unearned revenues	178,276	178,276
Deposits payable	329,743	329,743
Due to other funds	121,700	2,446,686
Total Liabilities	956,629	5,729,218
Deferred Inflows of Resources:		
Unavailable revenues	447,225	2,922,305
Total Deferred Inflows of Resources	447,225	2,922,305
Fund Balances (Deficits):		
Nonspendable:		
Prepaid costs	-	28,172
Land held for resale	-	115,000
Advances to other funds	-	26,382,298
Restricted for:		
Capital Projects	152,816	152,816
Debt service	269,593	269,593
Air quality improvement	37,940	37,940
Affordable housing programs	-	463,989
Grant programs	63,436	63,436
Transportation services	662,039	662,039
Committed to:		
Capital Projects	1,300,042	1,503,095
Waste management programs	185,783	185,783
Housing programs	2,824,798	2,824,798
CalPERS Set Aside	-	146,975
Assigned to:		
Capital Projects	593,696	593,696
Debt service	1,626	1,626
Unassigned	(235,683)	6,887,818
Total Fund Balances (Deficits)	5,856,086	40,319,074
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 7,259,940	\$ 48,970,597

The notes to financial statements are an integral part of this statement.

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CITY OF AGOURA HILLS, CALIFORNIA

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2018**

Fund balances of governmental funds		\$ 40,319,074
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of depreciation have not been included as financial resources in governmental fund activity.		120,422,625
Investment in Joint Venture Community Center represents interest only in capital assets of the joint venture rather than a financial asset and, therefore, is not recorded in the governmental funds.		1,793,851
Deferred outflows related to contributions made after the actuarial measurement date for the net pension liability:		
Contributions made subsequent to measurement date	\$ 443,161	
Change in assumptions	830,341	
Difference between expected and actual experiences	6,692	
Net difference between projected and actual earnings on plan investments	187,789	
Adjustment due to differences in proportions	<u>112,824</u>	1,580,807
Deferred outflows related to contributions made after the actuarial measurement date for the net OPEB liability:		
Contributions made subsequent to measurement date		189,000
Deferred outflows related to the refunding of long term debt are recorded as expenditures in the current period and therefore is not reported in the funds.		423,744
Long-term debt, compensated absences and claims and judgment liability that have not been included in the governmental fund activity:		
Bonds payable	(13,045,000)	
Unamortized bond premiums/discounts	(779,035)	
Compensated Absences	<u>(470,920)</u>	(14,294,955)
Accrued interest payable for the current portion of interest due on Bonds has not been reported in the governmental funds.		(89,947)
Governmental funds report all OPEB contributions as expenditures, however in the statement of net position any excesses or deficiencies in contributions in relation to the proportionate share of contributions are recorded as an asset or liability.		(1,044,000)
Governmental funds report all pension contributions as expenditures, however in the statement of net position any excesses or deficiencies in contributions in relation to the proportionate share of contributions are recorded as an asset or liability.		(4,479,822)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		2,922,305
Deferred inflows related to unrecognized actuarial gains and losses for the net pension liability:		
Changes in assumptions	(63,314)	
Difference between expected and actual experiences	(95,877)	
Adjustment due to differences in proportions	(54,382)	
Difference in actual to proportionate share contribution	<u>(242,563)</u>	(456,136)
Deferred inflows related to unrecognized actuarial gains and losses for the net OPEB liability:		
Net difference between projected and actual earnings on plan investments		<u>(38,000)</u>
Net Position of Governmental Activities		<u>\$ 147,248,546</u>

The notes to financial statements are an integral part of this statement.

CITY OF AGOURA HILLS, CALIFORNIA

**STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018**

	General	Special Revenue Fund Successor Housing Agency	Capital Projects Fund Measure R
Revenues:			
Taxes	\$ 12,858,443	\$ -	\$ -
Licenses and permits	661,719	-	-
Intergovernmental	-	-	3,916,539
Charges for services	1,145,450	-	-
Use of money and property	931,668	6,223	2,887
Fines and forfeitures	42,741	-	-
Contributions	36,574	-	-
Miscellaneous	317,488	20,000	-
Total Revenues	15,994,083	26,223	3,919,426
Expenditures:			
Current:			
General government	3,751,545	15,582	242,471
Public safety	4,508,965	-	-
Community development	1,557,043	11,067	348
Community Services	2,743,564	-	-
Public works	1,365,595	-	259,171
Capital outlay	494,575	-	1,972,040
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	14,421,287	26,649	2,474,030
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,572,796	(426)	1,445,396
Other Financing Sources (Uses):			
Transfers in	-	71,483	-
Transfers out	(1,096,808)	-	-
Proceeds from sale of capital asset	175,000	-	-
Total Other Financing Sources (Uses)	(921,808)	71,483	-
Special item	-	-	-
Net Change in Fund Balances	650,988	71,057	1,445,396
Fund Balances (Deficits), Beginning of Year	36,611,066	392,932	(4,708,451)
Fund Balances (Deficits), End of Year	\$ 37,262,054	\$ 463,989	\$ (3,263,055)

The notes to financial statements are an integral part of this statement.

CITY OF AGOURA HILLS, CALIFORNIA

**STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018**

	Other Governmental Funds	Total Governmental Funds
Revenues:		
Taxes	\$ 35,591	\$ 12,894,034
Licenses and permits	-	661,719
Intergovernmental	2,829,173	6,745,712
Charges for services	71,832	1,217,282
Use of money and property	85,651	1,026,429
Fines and forfeitures	46,052	88,793
Contributions	586,857	623,431
Miscellaneous	28,335	365,823
Total Revenues	3,683,491	23,623,223
Expenditures:		
Current:		
General government	152,506	4,162,104
Public safety	156,186	4,665,151
Community development	78,381	1,646,839
Community Services	113,683	2,857,247
Public works	1,084,433	2,709,199
Capital outlay	1,835,732	4,302,347
Debt service:		
Principal retirement	310,000	310,000
Interest and fiscal charges	599,458	599,458
Total Expenditures	4,330,379	21,252,345
Excess (Deficiency) of Revenues Over (Under) Expenditures	(646,888)	2,370,878
Other Financing Sources (Uses):		
Transfers in	1,025,325	1,096,808
Transfers out	-	(1,096,808)
Proceeds from sale of capital asset	-	175,000
Total Other Financing Sources (Uses)	1,025,325	175,000
Special item	184,159	184,159
Net Change in Fund Balances	562,596	2,730,037
Fund Balances (Deficits), Beginning of Year	5,293,490	37,589,037
Fund Balances (Deficits), End of Year	\$ 5,856,086	\$ 40,319,074

CITY OF AGOURA HILLS, CALIFORNIA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018**

Net change in fund balances - total governmental funds \$ 2,730,037

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay	\$ 4,185,749	
Deletion due to renegotiated payable on infrastructure project	(184,159)	
Depreciation	<u>(2,239,651)</u>	1,761,939

Share of expenses for Joint Venture in Community Center is not recorded as an expenditure in the governmental funds; however, it is recorded in the statement of activities as an expense. (57,404)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal repayments	310,000	
Amortization of bond premiums	33,776	
Amortization of deferred amounts on refunding	<u>(17,656)</u>	326,120

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period. 65,952

Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (30,469)

OPEB obligation expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. 30,000

Pension obligation expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. (263,458)

Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity. (2,299,724)

Change in Net Position of Governmental Activities \$ 2,262,993

CITY OF AGOURA HILLS, CALIFORNIA

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2018

	<u>Private-Purpose Trust Fund</u>		<u>Agency Funds</u>
	<u>Redevelopment Successor Agency Private- purpose Trust Fund</u>		
Assets:			
Pooled cash and investments	\$ 1,014,477	\$	1,923,621
Receivables:			
Accounts	-		422,367
Accrued interest	875		-
Restricted assets:			
Cash and investments with fiscal agents	324,251		-
Total Assets	1,339,603	\$	2,345,988
Liabilities:			
Accounts payable	200	\$	203,553
Accrued liabilities	3,989		-
Accrued interest	109,488		-
Deposits payable	-		2,142,435
Long-term liabilities:			
Due in one year	110,000		-
Due in more than one year	6,135,000		-
Advance from the City of Agoura Hills	26,382,298		-
Total Liabilities	32,740,975	\$	2,345,988
Net Position:			
Held in trust for other purposes	(31,401,372)		
Total Net Position	\$ (31,401,372)		

The notes to financial statements are an integral part of this statement.

CITY OF AGOURA HILLS, CALIFORNIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 YEAR ENDED JUNE 30, 2018

	Private-Purpose Trust Fund
	Redevelopment Successor Agency Private-purpose Trust Fund
Additions:	
Taxes	\$ 1,334,683
Interest and change in fair value of investments	8,133
Total Additions	1,342,816
Deductions:	
Administrative expenses	248,479
Contractual services	5,718
Interest expense	902,007
Total Deductions	1,156,204
Changes in Net Position	186,612
Net Position - Beginning of the Year	(31,587,984)
Net Position - End of the Year	\$ (31,401,372)

The notes to financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

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Note 1: Summary of Significant Accounting Policies

a. Description of Reporting Entity

The City of Agoura Hills (City) was incorporated December 8, 1982, under the general laws of the State of California and enjoys all the rights and privileges pertaining to "General Law" cities. The City operates under a Council/Manager form of government. As required by generally accepted accounting principles, these financial statements present the government and its component units for which the government is considered financially accountable. Blended component units, although legally separate entities, are in substance, part of the City's operations and data from these units are combined with data of the City of Agoura Hills, the primary government. Each component unit has a June 30 year end.

Blended Component Units

The Agoura Hills Public Facilities Corporation, Agoura Hills Public Financing Authority, Parking Authority of the City of Agoura Hills, and the Agoura Hills Improvement Authority are legally separate entities. The Agoura Hills City Council exercises financial accountability over each entity. Financial accountability is determined on the basis of budget adoption, taxing authority, funding, and the appointment of the governing board. Additionally, City staff manages the operations of each of these organizations on a contractual or reimbursement basis. A discussion of each entity follows.

The Agoura Hills Public Facilities Corporation (Corporation) was incorporated January 5, 1988 as a not-for-profit public benefit corporation and determined to be tax exempt pursuant to Revenue and Taxation Code 23701(d) of the State of California. The sole purpose of the Corporation is to provide a financing vehicle for the construction of public facilities. The members of the City Council act as the governing board of the Corporation. No financial activity is reported as the Corporation is not active.

The Agoura Hills Public Financing Authority (Financing Authority) was organized in April 2001 under a joint exercise of power agreement to provide financing for public capital improvements for the City and the Agoura Hills Redevelopment Agency. The members of the City Council act as the governing board of the Financing Authority. The Financing Authority does not issue separate financial statements.

The Parking Authority of the City of Agoura Hills (Parking Authority) was established June 26, 2013 pursuant to California Streets and Highways Code Section 32650. The members of City Council act as the Board of Directors, the governing board of the Parking Authority. The Parking Authority is considered a blended component unit due to the financial benefit or burden relationship the Parking Authority shares with the City. The Parking Authority does not issue separate financial statements.

The Agoura Hills Improvement Authority (Improvement Authority) was established June 26, 2013 under a joint exercise of power agreement with the Parking Authority and the City. The members of City Council act as the Authority Commission, the governing board of the Improvement Authority. The Improvement Authority is considered a blended component unit due to the financial benefit or burden relationship the Improvement Authority shares with the City as its financial transactions are reported in a debt service fund. The Improvement Authority does not issue separate financial statements.

Note 1: Summary of Significant Accounting Policies (Continued)

b. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Eliminations have been made in the Statement of Activities so that certain allocated expenses are recorded only once (by the function to which they were allocated). However, general government expenses have not been allocated as indirect expenses to the various functions of the City.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grant and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds even though the latter is excluded from the government-wide statements. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor funds.

c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year from which all eligibility requirements have been satisfied.

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end, except for sales tax revenues which are considered to be available if collected within ninety days after year-end. Expenditures generally are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments and compensated absences, which are recognized as an expenditure to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Note 1: Summary of Significant Accounting Policies (Continued)

Property taxes, charges for services, intergovernmental revenues and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

The General Fund is the general operating fund of the City. It is used to account for resources traditionally associated with the government which are not required legally or by sound financial management to be accounted for in another fund. All general tax revenue and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund.

The Housing Successor Fund accounts for restricted revenues and expenditures for the housing activities of the former Redevelopment Agency's Low- and Moderate-Income Fund activities. Revenues received relate to contributions for new housing and loan repayments.

The Measure R Capital Projects Fund is used to account for grant monies received from the County and restricted for specific projects within the City.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then use unrestricted resources as needed.

Fiduciary Funds

The Fiduciary Funds include the Agency Fund and Redevelopment Successor Private-purpose Trust Fund.

The Agency Fund is used to account for various assets such as developer fees and L.A. County Fire Department fees held by the City in a trustee capacity or as an agent for individuals, private organizations and/or other governments. The City also acts as a secretary for an organization in which the money is held in the Agency Fund. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results or operation. Agency funds have no measurement focus but utilize the accrual basis of accounting.

The Redevelopment Successor Agency is used to account for assets, liabilities and activities of the former Redevelopment Agency of the City in a trustee capacity to pay enforceable obligations of the former Agoura Hills Redevelopment Agency. In accordance with Assembly Bill (AB) X1 26 and AB 1484, the Redevelopment Agency was dissolved February 1, 2012. The Private-Purpose Trust Fund is reported using the economic resources measurement focus and accrual basis of accounting.

Use of Estimates

The preparation of the City's basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures of contingent amounts at the date of the basic financial statements, and revenues and expense/expenditures during the reported period. Actual results could differ from those estimates.

Note 1: Summary of Significant Accounting Policies (Continued)

d. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position

1. Deposits and Investments

The City's cash and investment balance consists of cash on hand, demand deposits and investments. Investments are stated at fair value.

The City maintains a cash and investment pool for the general operation of the City. Each fund type's portion of the pool is reported on the financial statements as Cash and Investments. Interest earned on pooled cash and investments is distributed quarterly to each fund based upon each fund's proportionate share of the pool.

The City has monies held by trustees or fiscal agents pledged to the payment or security of certain bonds. The California Government Code provides that these monies, in the absence of specific statutory provisions governing the issuance of bonds, may be invested in accordance with the ordinance, resolutions or indentures specifying the types of investments its trustees or fiscal agents may make. These ordinances, resolutions and indentures are generally more restrictive than the City's general investment policy.

2. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e., short-term interfund loans) or as "advances to/from other funds" (i.e., long-term interfund loans).

Property tax revenue is recognized when susceptible to accrual in the accounting period in which taxes are measurable and available. Property taxes are considered available by the City if they are collected within 60 days after year end. There is no allowance for uncollectible amounts. Assessed valuations are determined on an annual basis by the Los Angeles County Assessor. Taxes attach as an enforceable lien on property as of January 1, are levied on July 1, are due November 1 and February 1, and are delinquent if not paid by December 10 and April 10 of each year.

3. Prepaids

Certain membership dues and payments to vendors represent expenses that apply to future accounting periods. Prepaid items are expensed when consumed.

4. Land Held for Resale

Land held for resale is carried at the lower of cost or estimated realizable value determined at the date a disposition and development agreement is executed.

Note 1: Summary of Significant Accounting Policies (Continued)**5. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the governmental activities columns in the government-wide financial statements. Capital assets are valued at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and assets received in service concession arrangements are recorded at acquisition value at the point of acquisition. Capital assets subject to lease obligations are valued at the present value of future lease payments at the inception of the lease. Depreciation of all exhaustible capital assets used by governmental activities is charged as an expense against their operations. Accumulated depreciation is reported on the statement of net position. Depreciation has been provided over the estimated useful lives using the straight-line method over the following estimated useful lives:

Buildings and improvements	50 years
Vehicles	7-15 years
Machinery	5-30 years
Equipment	5-15 years
Infrastructure	20-50 years

Capitalization threshold of capital assets is based at a minimum value as follows:

Buildings and building improvements	\$25,000
Vehicles, machinery, and equipment	10,000
Infrastructure	25,000

6. Vacation and Compensatory Time (Compensated Absences)

Compensated absences are recorded in accordance with GAAP. Only vested or accumulated compensated absences that are expected to be due or mature are reported as an expenditure and fund liability of the governmental fund that will pay it. Amounts of vested or accumulated compensated absences that are not expected to be liquidated with expendable available financial resources are reported in the governmental activities of the government-wide financial statements. General fund resources have been used to liquidate the liability for compensated absences.

7. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts and gains and losses on debt refunding are deferred and amortized. Bonds payable are reported net of the applicable bond premium or discount.

Note 1: Summary of Significant Accounting Policies (Continued)

The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

8. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The pension liability is liquidated through the City's General Fund.

9. Other Post-Employment Benefits

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan (OPEB Plan), the assets of which are held by CalPERS in the California Employers' Retiree Benefit Trust (CERBT), and additions to/deductions from the OPEB Plan's fiduciary net position have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. The OPEB liability is liquidated through the City's General Fund.

10. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items that qualify for reporting in this category. One is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second and third are the deferred outflows relating to net pension obligation and the deferred outflows relating to the net other post-employment benefits obligation reported in the government-wide statement of net position. Both of these outflows are the results of contributions made after the measurement period, which are recognized in the following year. In addition, they include differences between expected and actual experiences, differences in proportions, changes in assumptions, and adjustments due to differences in proportionate share of the net pension liability, which are amortized over expected average remaining service lifetime. Net differences between projected and actual earnings on pension plan investments are amortized over five years.

Note 1: Summary of Significant Accounting Policies (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three items that qualify for reporting in this category. One arises under a modified accrual basis of accounting, unavailable revenue, which is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second and third items in this category are the deferred inflows relating to the net pension obligation and the deferred outflows relating to the net other post-employment benefits obligation reported in the government-wide statement of net position. These inflows are the result of the net difference between projected and actual earnings on OPEB plan investments, adjustments due to difference in proportions, and the difference between actual contributions made and the proportionate share of the risk pool's total contributions, the difference between expected and actual experiences, and changes in actuarial assumptions. These amounts are deferred and amortized over the expected average remaining service life time, with the exception of the net difference between expected and actual earnings on OPEB plan investments which are amortized over five years.

11. Effect of New Accounting Standards

GASB Statement No. 75 – During the fiscal year ended June 30, 2018, the City implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions. The primary objective of this statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement replaces the requirements of Statements No. 45, Accounting for Financial Reporting by Employers for Postemployment Benefits other than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans.

As a result of this change in accounting principle, beginning net position as reported in the government-wide statement of net position as been restated (see Note 15 for more information).

CITY OF AGOURA HILLS, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 2: Cash and Investments

Cash and Investments

Cash and investments at June 30, 2018, are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 14,970,116
Cash and investments with fiscal agents	246,812
Fiduciary Funds	
Cash and investments	2,938,098
Cash and investments with fiscal agents	324,251
Total Cash and Investments	<u>\$ 18,479,277</u>

Cash and investments at June 30, 2018, consisted of the following:

Deposits	<u>\$ 1,041,761</u>
Investments:	
Local Agency Investment Fund (LAIF)	16,369,735
Federal Agency Securities	247,265
Held by bond trustee:	249,453
Cash with fiscal agent - money market funds	571,063
Total Investments	<u>17,437,516</u>
Total	<u>\$ 18,479,277</u>

Investments Authorized by the California Government Code and the City's Investment Policy

The City's investment policy authorizes the following investments under provisions of California Government Code Section 53601.

<u>Investment Types Authorized by State Law</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Investment Fund ** (LAIF)	N/A	\$50 million	None
U.S. Treasuries	5 years	75%	20%
Federal Agency Securities	5 years	75%	20%
Commercial Paper	270 days	25%	5%
Negotiable Certificates of Deposit (CD)	5 years	30%	5%
Medium-Term Corporate Notes	5 years	30%	5%

** Limit set by LAIF Governing Board not State Government Code.

CITY OF AGOURA HILLS, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 2: Cash and Investments (Continued)

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee is governed by provisions of the debt agreements rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the general investment types that are authorized for investments held by the bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	None	None	None
Federal Housing Administration Debentures	None	None	None
U.S. Agency Securities	None	None	None
Unsecured CDs, time deposits, and Banker's Acceptances	30 days	None	None
FDIC Insured Bank Deposits	None	None	None
Commercial Paper	270 days	None	None
Money Market Funds	N/A	None	None
State Obligations	None	None	None
Pre-funded Municipal Obligations	None	None	None
Repurchase Agreements	270 days	None	None
Investment Agreements	None	None	None
Local Agency Investment Fund (LAIF)	None	None	None

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of the year end the weighted average maturity of the investments contained in LAIF investment pool was approximately 270 days. The City's investment policy recognized the interest rate risk and therefore places maximum maturity limits (up to five years) on various types of allowable investments.

CITY OF AGOURA HILLS, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 2: Cash and Investments (Continued)

Investment Type	Remaining Maturity (in Months)			Total
	12 Months or Less	13 to 24 Months	25 to 60 Months	
LAIF	\$ 16,369,735	\$ -	\$ -	\$ 16,369,735
Federal agency securities:				
FFCB	249,453	-	-	249,453
U.S. Treasury Notes	247,265	-	-	247,265
Held by bond trustee				
Cash with fiscal agent - money market funds	571,063	-	-	571,063
Total	<u>\$ 17,437,516</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,437,516</u>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the actual Standard and Poor's rating as of year-end for each investment type.

Investment Type	Total as of June 30, 2018	AA+	Unrated
LAIF	\$ 16,369,735	\$ -	\$ 16,369,735
Federal agency securities:			
FFCB	249,453	249,453	-
U.S. Treasury Notes	247,265	247,265	-
Held by bond trustee:			
Cash with fiscal agent - money market funds	571,063	-	571,063
Total	<u>\$ 17,437,516</u>	<u>\$ 496,718</u>	<u>\$ 16,940,798</u>

Concentrations of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer. The City currently does not have any investments in any one issuer (other than U.S. Treasury Securities, mutual funds, and external investment pools) that represent 5 percent or more of total City investments.

Note 2: Cash and Investments (Continued)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits:

The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits.

Of the City's deposits with financial institutions, \$1,426,626 was in excess of federal depository insurance limits. The uninsured deposits were held by financial institutions, which are legally required by the California Government Code to collateralize the City's deposits as noted above.

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based on the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF does not impose limits or restrictions on participant withdrawals, and the entire balance of the City's investment in the portfolio is available for withdrawal at any time. LAIF is not registered with the Securities and Exchange Commission and is not rated.

Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 2 inputs utilized by the City to determine fair market value include: matrix pricing, market corroborated pricing, and other inputs such as yield curves and indices. Level 3 inputs are significant unobservable inputs. The City measures all of its investments using Level 2 inputs.

CITY OF AGOURA HILLS, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 3: Interfund Receivables, Payables and Transfers

Due to	Due From		
	General Fund	Nonmajor Governmental Funds	Total
Measure R major capital projects fund	\$ 1,861,223	\$ 463,763	\$ 2,324,986
Nonmajor governmental funds	121,700	-	121,700
Total	<u>\$ 1,982,923</u>	<u>\$ 463,763</u>	<u>\$ 2,446,686</u>

The General Fund and the Traffic Improvement nonmajor fund made loans to the Measure R fund for cash flow. The General Fund also loaned monies to the other nonmajor funds for cashflow purposes.

Transfers Out	Transfers In			Totals
	Housing Successor Special Revenue	Nonmajor Governmental Funds		
		Improvement Authority	Capital Projects	
General Fund	\$ 71,483	\$ 913,025	\$ 112,300	\$ 1,096,808
Total	<u>\$ 71,483</u>	<u>\$ 913,025</u>	<u>\$ 112,300</u>	<u>\$ 1,096,808</u>

The General Fund transferred funds to the Capital Projects Fund to finance future capital projects. The General Fund transferred funds to the Housing Successor Special Revenue Fund to provide the 20 percent set-aside portion for the loan paid from the Successor Agency to the City. The General Fund transferred funds to the Agoura Hills Improvement Authority Bond fund for bond payments due.

Note 4: Advances to Successor Agency

The City previously loaned the former Redevelopment Agency funds prior to dissolution. The repayment of the advances has been approved by the California Department of Finance. See Note 14b for further detail.

CITY OF AGOURA HILLS, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 5: Capital Assets

A summary of changes in capital asset activity at June 30, 2018, is as follows:

	Balance at July 1, 2017	Transfers of CIP	Additions	Deletions	Balance at June 30, 2018
Capital assets not being depreciated:					
Land	\$ 12,766,358	\$ -	\$ 391,525	\$ -	\$ 13,157,883
Construction in progress	38,578,746	(254,333)	2,322,229	-	40,646,642
Total Capital Assets Not being Depreciated	51,345,104	(254,333)	2,713,754	-	53,804,525
Capital assets being depreciated:					
Buildings and improvements	21,833,796	-	252,243	-	22,086,039
Vehicles	565,737	-	180,219	25,025	720,931
Infrastructure	100,733,498	254,333	1,039,533	184,159	101,843,205
Total Capital Assets being Depreciated	123,133,031	254,333	1,471,995	209,184	124,650,175
Less accumulated depreciation for:					
Buildings and improvements	2,910,903	-	501,070	-	3,411,973
Vehicles	474,836	-	24,352	25,025	474,163
Infrastructure	52,431,710	-	1,714,229	-	54,145,939
Total Accumulated Depreciation	55,817,449	-	2,239,651	25,025	58,032,075
Total Capital Assets Being Depreciated, Net	67,315,582	254,333	(767,656)	184,159	66,618,100
Governmental Activities Capital Assets, Net	\$ 118,660,686	\$ -	\$ 1,946,098	\$ 184,159	\$ 120,422,625

Depreciation expense was charged to functions/programs of the primary government as follows:

General government	\$ 419,316
Public works	1,714,229
Community services	106,106
Total depreciation expense - governmental activities	<u>\$ 2,239,651</u>

CITY OF AGOURA HILLS, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 6: Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2018, was as follows:

	Balance at July 1, 2017	Additions	Deletions	Balance at June 30, 2018	Due Within One Year
Bonds:					
2013 Lease Revenue Bonds	\$ 3,530,000	\$ -	\$ 75,000	\$ 3,455,000	\$ 80,000
Bond premium	45,920	-	1,766	44,154	-
2016 Lease Revenue Refunding Bonds	9,825,000	-	235,000	9,590,000	235,000
Bond premium	766,891	-	32,010	734,881	-
Other Long Term Liabilities:					
Accrued compensated absences	440,451	334,911	304,442	470,920	304,442
Total Governmental Long-Term Liabilities	<u>\$ 14,608,262</u>	<u>\$ 334,911</u>	<u>\$ 648,218</u>	<u>\$ 14,294,955</u>	<u>\$ 619,442</u>

2007 Lease Revenue Refunding Bonds

On March 1, 2007, the City issued \$12.06 million in Lease Revenue Refunding Bonds with interest rates ranging from 3.875 to 4.375 percent to defease \$8.8 million of 1999 Lease Revenue outstanding bonds. The principal of the bonds is payable on their maturity date of February 1, of each year. Interest on the bond is payable on February 1, and August 1, each year. The full refunding of the 2007 Lease Revenue Refunding Bonds by the issuance of the 2016 Lease Revenue Refunding Bonds. As of June 30, 2018, the 2007 Lease Revenue Refunding Bonds were refunded with no principal outstanding.

2013 Lease Revenue Bonds

On September 1, 2013, the City issued \$3.675 million in Lease Revenue Bonds with interest rates ranging from 4.00 to 5.00 percent to finance a portion of the costs of the community recreation center project. The principal of the bonds is payable on their maturity date of February 1, of each year. Interest on the bond is payable on February 1, and August 1, each year. The outstanding balance at June 30, 2018 is \$3,455,000.

The future debt service payments are as follows:

Year ending June 30	2013 Lease Revenue Bonds	
	Principal	Interest
2019	\$ 80,000	\$ 162,025
2020	80,000	158,825
2021	85,000	155,625
2022	90,000	152,225
2023	95,000	148,625
2024 - 2028	525,000	684,125
2029 - 2033	635,000	562,688
2034 - 2038	815,000	389,000
2039 - 2043	1,050,000	162,500
Totals	<u>\$ 3,455,000</u>	<u>\$ 2,575,638</u>

CITY OF AGOURA HILLS, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 6: Long-Term Liabilities (Continued)

2016 Lease Revenue Refunding Bonds

On November 1, 2016, the City issued \$10.055 million in Lease Revenue Bonds with interest rates ranging from 4.00 to 5.00 percent to current refund \$10.3 million of 2007 Lease Revenue outstanding bonds. The principal of the bonds is payable on their maturity date of February 1, of each year. Interest on the bond is payable on June 1, and December 1, each year. The outstanding balance at June 30, 2018 is \$9,590,000. The refunding resulted in a difference in cash flow of \$769,869 and an economic gain of \$481,032.

The future debt service payments are as follows:

Year Ending June 30	2016 Lease Revenue Bonds		
	Principal	Interest	Total
2019	\$ 235,000	\$ 425,650	\$ 660,650
2020	250,000	413,900	663,900
2021	260,000	401,400	661,400
2022	275,000	388,400	663,400
2023	285,000	374,650	659,650
2024-2028	1,675,000	1,642,500	3,317,500
2029-2033	2,135,000	1,183,950	3,318,950
2034-2038	2,630,000	693,000	3,323,000
2039-2043	1,845,000	149,400	1,994,400
Totals	<u>\$ 9,590,000</u>	<u>\$ 5,672,850</u>	<u>\$ 15,262,850</u>

Employee Compensated Absences Payable

The City's policies relating to compensated absences are described in Note (I)(d)6. This liability will be paid in future years from future resources.

Note 7: Fund Balance

The following classifications, in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, describe the relative strength of the constraints placed on the purposes for which resources can be used:

Nonspendable

Amounts that cannot be spent either because they are in nonspendable form or are legally or contractually required to be maintained intact (e.g. prepaid assets, inventory). At June 30, 2018, the balance is comprised of advances to other funds (net of allowances), prepaids and land held for resale.

Restricted

Amounts that are constrained to specific purposes by state or federal laws, enabling legislation, or externally imposed conditions by grantors or creditors.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 7: Fund Balance (Continued)

Committed

Amounts that can only be used for specific purposes pursuant to constraints imposed by the City Council, the City's highest level of decision-making authority, through formal actions taken, such as an ordinance or resolution, which are considered to be equally binding. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment.

Assigned

Amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. The authority to assign amounts to be used for specific purposes has been delegated to the Finance Director pursuant to the City's fund balance policy.

Unassigned

These are residual positive net resources of the general fund in excess of what can properly be classified in one of the other four categories. This classification also includes amounts set aside for the City's minimum fund balance policy. Unassigned fund balance also includes negative fund balances in funds outside of the General Fund.

Spending Policy

Restricted fund balance is considered to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.

Minimum Fund Balance Policy

An amount equal to or greater than 40 percent of each fiscal year's proposed General Fund Operating Budget is to be designated as the City's unobligated General Fund Reserve pursuant to Resolution 05-1378. At June 30, 2018, the City had set aside \$10.4 million pursuant to this policy, which was classified as unassigned fund balance.

Note 8: Defined Benefit Pension Plan

a. Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the City of Agoura Hill's miscellaneous cost-sharing multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at www.calpers.ca.gov. The two Agoura Hills cost-sharing plans are Classic Miscellaneous and PEPRA Miscellaneous.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 8: Defined Benefit Pension Plan (Continued)

b. Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: The Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

Below is a summary of the plan's provisions and benefits in effect at June 30, 2018, for which the City of Agoura Hills has contracted:

Major Benefit Options	Miscellaneous	Miscellaneous PEPRA
Hire Date	Prior to January 1, 2013	On or after January 1, 2013
Benefit Provision		
Benefit Formula	2.0% @ 55	2.0% @ 62
Social Security	no	no
Full/Modified	full	full
Benefit vesting schedule	5 yrs service	5 yrs service
Benefit payments	monthly for life	monthly for life
Retirement age	50-63	52-67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%
Required employer contribution rates	13.673%	6.602%
Required employee contribution rates	6.896%	6.250%

New entrants are not allowed in the Miscellaneous Classic Plan.

c. Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2018, the contributions recognized as a reduction to the net pension liability was \$392,645.

CITY OF AGOURA HILLS, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 8: Defined Benefit Pension Plan (Continued)

d. *Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions*

As of June 30, 2018, the City of Agoura Hills reported a net pension liability for its proportionate share of the net pension liability in the amount of \$4,479,822.

The City of Agoura Hills' net pension liability is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2017, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for each Plan as of June 30, 2016 and 2017, was as follows:

Proportions as a percentage of the CalPERS Miscellaneous risk pool:

	<u>Miscellaneous</u>
Proportion - June 30, 2016	0.04331%
Proportion - June 30, 2017	0.04517%
Change - Increase (Decrease)	0.00186%

For the year ended June 30, 2018, the City of Agoura Hills recognized pension expense of \$706,620. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 443,161	\$ -
Changes in assumptions	830,341	63,314
Difference between expected and actual experiences	6,692	95,877
Net differences between projected and actual earnings on plan investments	187,789	-
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	242,563
Adjustment due to differences in proportions	112,824	54,382
Total	<u>\$ 1,580,807</u>	<u>\$ 456,136</u>

CITY OF AGOURA HILLS, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 8: Defined Benefit Pension Plan (Continued)

The \$443,161 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Deferred Outflow / (Inflows) of Resources
2019	\$ 76,569
2020	447,082
2021	269,352
2022	(111,493)
Total	<u>\$ 681,510</u>

e. Actuarial Assumptions

For the measurement period ended June 30, 2017 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2016, total pension liability. The June 30, 2016 and the June 30, 2017, total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method Actuarial Assumptions	Entry Age Normal Cost Method
Discount Rate	7.15%
Inflation	2.75%
Salary Increases	3.00%
Investment Rate of Return	7.00% (2)
Mortality Rate Table (3)	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

(1) Depending on age, service and type of employment

(2) Net of Pension Plan Investment and Administrative Expenses; includes Inflation

(3) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report on the CalPERS website.

All other actuarial assumptions used in the June 30, 2016, valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

Note 8: Defined Benefit Pension Plan (Continued)

f. *Change of Assumptions*

For the measurement date June 30, 2017, the financial reporting discount rate was lowered from 7.65 percent to 7.15 percent. In December 2016, the CalPERS Board approved lowering the funding discount rate used from 7.50 percent to 7.00 percent, which is to be phased-in over a three-year period (7.50 percent to 7.375 percent, 7.375 percent to 7.25 percent, and 7.25 percent to 7.00 percent) beginning with the June 30, 2016 valuation reports. The funding discount rate includes a 15 basis-point reduction for administrative expenses, and the remaining decrease is consistent with the change in the financial reporting discount rate.

g. *Discount Rate*

The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate, and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

CITY OF AGOURA HILLS, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 8: Defined Benefit Pension Plan (Continued)

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	47.0%	4.90%	5.38%
Fixed Income	19.0	0.80	2.27
Inflation Assets	6.0	0.60	1.39
Private Equity	12.0	6.60	6.63
Real Estate	11.0	2.80	5.21
Infrastructure and Forestland	3.0	3.90	5.36
Liquidity	2.0	(0.40)	(0.90)

- (1) An expected inflation of 2.5% used for this period.
 (2) An expected inflation of 3.0% used for this period.

h. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability/ (asset) of the Plan, calculated using the discount rate for each Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% point lower (6.15 percent) or 1% point higher (8.15 percent) than the current rate:

Plan's Net Pension Liability/(Assets)	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate +1% (8.15%)
Miscellaneous	\$ 7,216,862	\$ 4,479,822	\$ 2,212,957

Note 9: Self Insurance

The City of Agoura Hills is a member of the California Joint Powers Insurance Authority (Authority).

The Authority is comprised of 116 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

Note 9: Self Insurance (Continued)

a. Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage year 2012-2013 and prior. Coverage years 2013-2014 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

Primary Liability Program

In the Liability program, claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$750,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2017-2018 the overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses have a sub-limit of \$40 million per occurrence. The coverage structure includes retained risk that is pooled among members, reinsurance, and excess insurance. More detailed information about the various levels of coverage are available on the following website: <https://cjpia.org/protection/coverage-programs>.

Workers' Compensation

The City of Agoura Hills also participates in the workers' compensation pool administered by the Authority. In the workers' compensation program claims are pooled separately between public safety (police and fire) and non-public safety exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs in excess of \$100,000 up to the statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2017-2018 the Authority's pooled retention is \$2 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$2 million. Coverage from \$2 million to \$5 million is purchased as part of a reinsurance policy, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

CITY OF AGOURA HILLS, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 9: Self Insurance (Continued)

b. Purchased Insurance

Pollution Legal Liability Insurance

The City of Agoura Hills participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of Agoura Hills. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has a limit of \$50 million for the 3-year period from July 1, 2017 through July 1, 2020. Each member of the Authority has a \$10 million sub-limit during the 3-year term of the policy.

Property Insurance

The City of Agoura Hills participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of Agoura Hills property is currently insured according to a schedule of covered property submitted by the City of Agoura Hills to the Authority. City of Agoura Hills property currently has all-risk property insurance protection in the amount of \$26,523,734. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

Crime Insurance

The City of Agoura Hills purchases crime insurance coverage in the amount of \$3,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority.

c. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2017-2018.

Note 10: Commitments/Operating Leases

The City has entered into two operating leases for copiers. Lease terms are 60 months with both leases expiring in September 2022.

The following schedule lists future minimum lease payments:

<u>Year Ending June 30,</u>	<u>Equipment</u>	<u>Totals</u>
2019	\$ 4,847	\$ 4,847
2020	4,847	4,847
2021	4,847	4,847
2022	4,847	4,847
2023	1,212	1,212
<u>Total</u>	<u>\$ 20,600</u>	<u>\$ 20,600</u>

The City contracts with the Los Angeles County Sheriff's Department to provide safety services. During the year ended June 30, 2018, the City incurred expenditures of \$4,469,161 for Public Safety services.

CITY OF AGOURA HILLS, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 11: Joint Venture

On November 24, 1997, the Agoura Hills and Calabasas Community Center Authority (Authority) was created under a joint exercise of powers agreement. It was formed for the construction, furnishing, maintenance and operation of a Joint Recreation Center. The governing Board of Directors consists of one City Council Member from each City, two residents of each City appointed by City Council, and the President or a member of the Executive Board of the Alliance (a nonprofit organization formed for the sole purpose of raising funds for the Center). The City's participation in the joint venture is reported as Investment in Joint Venture, on the statement of net position. The balance as of June 30, 2018 was \$1,793,851.

Each City contributed money towards the construction of the Community Center, which was completed in March 2001. The Authority now oversees the operations and maintenance of the Community Center. The Cities of Agoura Hills and Calabasas will equally share in any profit or loss from operation of the Community Center. Copies of the Authority's annual financial statements may be obtained from their location at 27040 Malibu Hills Road, Calabasas, California 91301.

Note 12: Contingency

There are certain legal actions pending against the City which have arisen in the normal course of operations. Management believes these matters will be covered by insurance; however, their outcome and financial effect on the City cannot presently be determined, and no provision for any potential liability or losses has been included in the financial statements as of June 30, 2018. The ultimate resolution of these pending legal actions is not expected to have a material effect on the financial position of the City.

The City has received property tax revenues for specific enforceable obligations of the former redevelopment agency that are subject to review by the Department of Finance (DOF). The DOF has disallowed certain obligations listed on the Recognized Obligation Payment Schedule (ROPS) submitted by the City. The City is continuing to dispute obligations listed as enforceable, including the City-former RDA loan advances.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 13: Other Post-Retirement Health Care Benefits

Plan Description

In addition to the pension benefits defined in Note 8, the City provides post-retirement health care benefits to all full-time employees in accordance with the City's contract with the Public Employees' Retirement System (PERS) for participation in the State of California Public Employees' Medical and Hospital Care Act (PEMHCA). The City's contribution for each retiree is the same as full-time employees. The City contributed the PEMHCA minimum for all retirees (\$122 and \$125 for calendar years 2015 and 2016, respectively). Additionally, the City contributes longevity pay to a Retirement Health Savings (RHS) Trust plan of up to \$500 for those retirees with 10 years of service with the City of Agoura Hills, enrolled in a CalPERS health plan. The total of the PEMHCA minimum employer contribution and the additional benefit will not exceed \$500 per month. The RHS contribution may only be used to reimburse medical premiums. In the event of the retiree's death, the CalPERS eligible surviving spouse has the right to \$300 per month to pay for medical premiums for a maximum of 12 months. After 12 months surviving spouses will still be eligible to receive the PEMHCA minimum employer contribution. The plan is an agent, multiple-employer plan administered by CalPERS through the California Employers' Retiree Benefit Trust (CERBT).

Eligibility

Employees are eligible for retiree health benefits if they retire from the City and are eligible for a PERS pension and are enrolled in a CalPERS retiree health plan. The benefits are available only to employees who retire from the City. Membership of the plan consisted of the following at June 30, 2018:

	<u>Number of Employees</u>
Active Employees	33
Inactives currently receiving benefits	9
Inactives entitles to but not yet receiving benefits	<u>3</u>
Total	<u>45</u>

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 13: Other Post-Retirement Health Care Benefits (Continued)

Contributions

The contribution requirements of plan members and the City are established and may be amended by City Council. In September 2009, the City established an irrevocable trust through CalPERS, in order to prefund its other post-employment benefit (OPEB) obligation. For the measurement date ended June 30, 2017, the City's cash contributions were \$168,000 in total payments, which were recognized as a reduction to the OPEB liability.

Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2017 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2017 used to determine the total OPEB liability, based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2017
Actuarial Cost Method	Entry Age Normal, Level Percentage of Payroll
Amortization Method	Level percent of pay
Amortization Period	21-year fixed period for 2017/18
Asset Valuation Method	Investment gains and losses spread over 5-year rolling period
Discount Rate	6.75%
General Inflation	2.75%
Medical Trend	Non-Medicare - 7.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076 Medicare - 6.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076
Mortality	CalPERS 1997-2015 experience study
Mortality Improvement	Mortality Improvement Scale 2017 for post-retirement mortality

CITY OF AGOURA HILLS, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 13: Other Post-Retirement Health Care Benefits (Continued)

Expected Long-Term Rate of Return

<u>Asset Class Component</u>	<u>Target Allocation CERBT - Strategy 1</u>	<u>Expected Real Rate of Return</u>
Global Equity	57%	4.82%
Fixed Income	27%	1.47%
TIPS	5%	1.29%
Commodities	3%	0.84%
REITs	8%	3.76%
(1) Assumed Long-Term Rate of Inflation		2.75%
(2) Expected Long-Term Net Rate of Return, rounded to the nearest quarter percent		6.75%

The long-term expected real rates of return are presented as geometric means.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the OPEB Liability

The changes in the net OPEB liability for the Plan are as follows:

	<u>Total OPEB Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net OPEB Liability (c) = (a) - (b)</u>
Balance at June 30, 2017 (valuation date June 30, 2017)	\$ 2,258,000	\$ 1,167,000	\$ 1,091,000
Changes recognized for the measurement period:			
Service cost	105,000	-	105,000
Interest	157,000	-	157,000
Contributions - employer	-	175,000	(175,000)
Net investment income	-	135,000	(135,000)
Benefit payments	(56,000)	(56,000)	-
Administrative expenses	-	(1,000)	1,000
Net changes	206,000	253,000	(47,000)
Balance at June 30, 2018 (measurement date June 30, 2017)	<u>\$ 2,464,000</u>	<u>\$ 1,420,000</u>	<u>\$ 1,044,000</u>

CITY OF AGOURA HILLS, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 13: Other Post-Retirement Health Care Benefits (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2017:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net OPEB Liability	\$ 1,390,000	\$ 1,044,000	\$ 757,000

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2017:

	1% Decrease	Current Healthcare Cost Trent Rates	1% Increase
Net OPEB Liability	\$ 921,000	\$ 1,044,000	\$ 1,146,000

OPEB Plan Fiduciary Net Position

CalPERS issues a publicly available financial report that includes financial statements and required supplementary information. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2018, the City recognized OPEB expense of \$159,000. As of fiscal year ended June 30, 2018, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 189,000	\$ -
Net difference between projected and actual earnings on OPEB plan investments	-	(38,000)
Total	<u>\$ 189,000</u>	<u>\$ (38,000)</u>

The \$189,000 reported as deferred outflows of resources related to contributions subsequent to measurement date will be recognized as a reduction to net OPEB liability in the year ended June 30, 2019. Other amounts reported as deferred inflows of resources related to OPEB will be recognized as expense as follows:

Year Ended June 30	Deferred Outflow / (Inflows) of Resources
2019	\$ (9,000)
2020	(9,000)
2021	(9,000)
2022	(11,000)
	<u>\$ (38,000)</u>

CITY OF AGOURA HILLS, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 14: Successor Agency Trust for Assets of the Former Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld AB 1X 26 that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Agoura Hills that previously had reported a redevelopment agency as a blended component unit. The City Council elected to become the Successor Agency for the former redevelopment agency.

Successor agencies are only allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations as approved by the Successor Agency Oversight Board and the California Department of Finance.

The Bill directed the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

a. Cash and investments

As of June 30, 2018, cash and investments were reported in the accompanying financial statements as follows:

Cash and investments	\$ 1,014,477
Cash and investments with fiscal agent	<u>324,251</u>
	<u>\$ 1,338,728</u>

b. Advance from the City of Agoura Hills

On May 15, 2013, the City received notification that a Finding of Completion has been granted, which allows for: 1) loan agreements between the former redevelopment agency and City may be placed on the ROPS as an enforceable obligation, provided the oversight board makes a finding that the loan was for a legitimate redevelopment purpose per California Health and Safety Code (HSC) section 34191.4(b)(1), and 2) utilizing proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4(c).

The Oversight Board to the Successor Agency approved OB Resolution No. 14-23 determining that the amounts advanced to the former redevelopment agency were for legitimate redevelopment purposes. The Advance from the City of Agoura Hills as of June 30, 2018, consist of the following:

Advance from the City of Agoura Hills	\$ 28,855,625
Allowance for uncollectable	<u>(2,473,327)</u>
Advance from the City of Agoura Hills – net	<u>\$ 26,382,298</u>

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 14: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)

California Health and Safety Code Section 34191.4(b)(2) outlines the terms for restructuring city loans to former redevelopment agencies as follows: “the accumulated interest on the remaining principal amount of the loan shall be recalculated from origination at the interest rate earned by funds deposited into the Local Agency Investment Fund.” Management’s position is to apply the historical Local Agency Investment Fund (LAIF) rate over the life of the loan.

The California Department of Finance (DOF) has provided information regarding the recalculation of accrued interest for city loans to redevelopment agencies. The DOF applies the LAIF rate for the quarter during which the Oversight Board makes a finding that the loan was made for legitimate redevelopment purposes to the entire life of the loan. Based on this assumption, the advance from the City is recalculated to have a June 30, 2018 balance of \$28,855,578. The City has recorded an allowance for the difference between methodologies of the City and DOF. As further information becomes available, the allowance for uncollectable amounts may be adjusted in future periods.

During fiscal year ended June 30, 2018, the Successor Agency made a payment of \$357,460 to the City to pay down the balance.

c. Long-Term Debt

A description of long-term debt outstanding of the Successor Agency as of June 30, 2018, is as follows:

	Balance at July 1, 2017	Additions	Deletions	Balance at June 30, 2018	Due Within One Year
Bonds:					
Housing Set-Aside Tax Allocation Bonds					
Series 2008 – following defeasance	\$ 1,110,000	\$ -	\$ 25,000	\$ 1,085,000	\$ 25,000
Tax Allocation Bonds Series 2008 A-T	5,240,000	-	80,000	5,160,000	85,000
Total Fiduciary Long-Term Liabilities	<u>\$ 6,350,000</u>	<u>\$ -</u>	<u>\$ 105,000</u>	<u>\$ 6,245,000</u>	<u>\$ 110,000</u>

Housing Set-Aside Tax Allocation Bonds Series 2008

On June 5, 2008, the Redevelopment Agency issued \$10,000,000 in Housing Set-Aside Tax Allocation Bonds to finance low- and moderate-income housing of the Agoura Hills Redevelopment Agency. During fiscal year ended June 30, 2013, the Successor Agency defeased \$8,200,000 of this debt for a remaining bond balance of \$1,195,000 and interest rates ranging from 4.0 to 5.0 percent. The principal of the bonds is payable on their maturity date of October 1, of each year. Interest on the bond is payable on October 1, and April 1, each year. The outstanding balance at June 30, 2018 is \$1,085,000.

CITY OF AGOURA HILLS, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 14: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)

The future debt service payments are as follows:

Year Ending June 30	Housing Set-Aside Tax Allocation Bonds Series 2008		
	Principal	Interest	Total
2019	\$ 25,000	\$ 53,003	\$ 78,003
2020	25,000	51,909	76,909
2021	25,000	50,800	75,800
2022	30,000	49,544	79,544
2023	30,000	48,138	78,138
2024 - 2028	170,000	217,463	387,463
2029 - 2033	220,000	168,750	388,750
2034 - 2038	280,000	106,250	386,250
2039 - 2043	280,000	28,750	308,750
Totals	\$ 1,085,000	\$ 774,607	\$ 1,859,607

Tax Allocation Bonds Series 2008 A-T

On June 5, 2008, the Redevelopment Agency issued \$5,750,000 in Tax Allocation Bonds Series A-T with interest rates ranging from 4.728 to 7.842 percent to finance certain redevelopment project within the Agoura Hills Redevelopment Area. The principal of the bonds is payable on their maturity date of October 1, of each year. Interest on the bond is payable on October 1, and April 1, each year. The outstanding balance at June 30, 2018, is \$5,160,000.

The future debt service payments are as follows:

Year Ending June 30	Tax Allocation Bonds Series 2008 A-T		
	Principal	Interest	Total
2019	\$ 85,000	\$ 388,929	\$ 473,929
2020	90,000	383,035	473,035
2021	100,000	376,452	476,452
2022	105,000	369,348	474,348
2023	110,000	361,899	471,899
2024 - 2028	685,000	1,674,256	2,359,256
2029 - 2033	980,000	1,370,798	2,350,798
2034 - 2038	1,415,000	915,901	2,330,901
2039 - 2043	1,590,000	261,139	1,851,139
Totals	\$ 5,160,000	\$ 6,101,757	\$ 11,261,757

CITY OF AGOURA HILLS, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 14: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)

d. Pledged Revenue

The City pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low- and Moderate-Income Housing set-aside and pass through allocations) that it receives. The bonds issued were to provide financing for various capital projects, accomplish Low- and Moderate-Income Housing projects and to defease previously issued bonds. Assembly Bill 1X 26 provided that upon dissolution of the Redevelopment Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is \$13,121,364 with annual debt service requirements as indicated above. For the current year, the debt service obligation on the bonds was \$553,317 and taxes received to pay enforceable obligations was \$1,334,683.

Note 15: Prior Period Adjustments

Beginning net position in the Statement of Activities was reduced by \$912,941 to reflect the change in accounting principle by the City in the implementation of GASB Statement No. 75. The table below describes the restatement in detail:

To remove the OPEB liability previously reported, under GASB 45	\$	10,059
To record the beginning deferred outflows of resources as of June 30, 2017 accordance with GASB 75		168,000
To record the beginning OPEB liability as of June 30, 2017, in accordance with GASB 75		<u>(1,091,000)</u>
Total Restatement of Net Position due to GASB 75	\$	<u>(912,941)</u>

Note 16: Special Items

In the current year, the City renegotiated the payment amount of an invoice with a vendor that had been accrued in a prior year. This amount of the reduction in the City's obligation is reported as a special item of \$184,159 in the nonmajor governmental funds. This was a unique occurrence for the fiscal year ended June 30, 2018, and the result of an ongoing renegotiation process with the vendor.

Note 17: Subsequent Events

During November 2018, a fire threatened the City and required the mandatory evacuation of the entire City for several days. The extent of damage to City property is unknown at this time. It is anticipated that the City will be receiving Federal and State Disaster Assistance grant monies during fiscal year 2018-19 as a result of the fires.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF AGOURA HILLS, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (Inflows):				
Sales Tax	\$ 4,059,000	\$ 3,923,000	\$ 3,924,897	\$ 1,897
Other Taxes	8,884,305	8,917,517	8,933,546	16,029
Licenses and permits	583,000	670,800	661,719	(9,081)
Charges for services	1,241,230	1,131,580	1,145,450	13,870
Fines and forfeitures	64,000	64,000	42,741	(21,259)
Investment Income	25,750	90,000	544,429	454,429
Rental Income	298,800	378,800	387,239	8,439
Other Revenues	489,200	714,200	354,062	(360,138)
Amounts Available for Appropriations	15,645,285	15,889,897	15,994,083	104,186
Charges to Appropriations (Outflows):				
General government				
City Council	145,236	140,242	135,327	4,915
City Manager	980,952	937,736	932,132	5,604
City Clerk	324,724	314,724	310,864	3,860
City Attorney	280,000	304,000	303,899	101
Finance	440,061	437,792	429,987	7,805
Public Facilities	305,000	305,000	303,001	1,999
Non-Departmental	1,049,964	1,109,896	1,108,696	1,200
Automated Office System	197,927	197,927	227,639	(29,712)
Total General Government	3,723,864	3,747,317	3,751,545	(4,228)
Public safety				
Los Angeles County Sheriff	4,409,824	4,387,824	4,388,260	(436)
Emergency Services	17,600	13,900	10,359	3,541
Animal Control	59,000	74,500	73,536	964
School Crossing Guards	-	38,000	36,810	1,190
Total Public Safety	4,486,424	4,514,224	4,508,965	5,259
Community development				
Community Development	1,223,656	987,112	983,365	3,747
Building & Safety	677,166	577,402	573,678	3,724
Total Community Development	1,900,822	1,564,514	1,557,043	7,471
Parks and recreation				
Recreation	676,470	671,470	658,314	13,156
Reyes Adobe	37,540	17,540	15,413	2,127
Recreation Center	366,220	332,220	334,418	(2,198)
Community Services	1,182,091	1,182,229	1,172,571	9,658
Parks Maintenance	596,950	565,950	562,848	3,102
Total Parks and recreation	2,859,271	2,769,409	2,743,564	25,845
Public works				
Public Works	660,688	786,633	785,185	1,448
Traffic Safety	10,000	28,000	26,536	1,464
Landscape Maintenance	293,250	233,250	226,280	6,970
Storm Drain & Flood Control	351,800	329,800	327,594	2,206
Total Public Works	1,315,738	1,377,683	1,365,595	12,088
Capital outlay	286,300	546,300	494,575	51,725
Total Charges to Appropriations	14,572,419	14,519,447	14,421,287	98,160
Excess (Deficiency) of Revenues Over (Under) Expenditures:	1,072,866	1,370,450	1,572,796	202,346
Other Financing Sources (Uses):				
Transfers in	50,000	-	-	-
Transfers out	(984,525)	(1,096,825)	(1,096,808)	(17)
Proceeds from sale of capital asset	-	175,000	175,000	-
Total Other Financing Sources (Uses)	(934,525)	(921,825)	(921,808)	(17)
Budgetary Fund Balance, July 1	36,611,066	36,611,066	36,611,066	-
Budgetary Fund Balance, June 30	\$ 36,749,407	\$ 37,059,691	37,262,054	\$ 202,329
Adjustments:				
Senate Bill acceptance of increase to Advance to Successor Agency			(455,196)	
Prior year's Advance to Successor Agency			(26,284,515)	
Current year payment to pay down Advance to Successor Agency			357,413	
Facilities' fund reserve			(203,053)	
CalPERS Set Aside fund reserve			(146,975)	
General Fund Budgetary Fund Balance, June 30			\$ 10,529,728	

The notes to required supplementary information are an integral part of this schedule.

CITY OF AGOURA HILLS, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
HOUSING SUCCESSOR AGENCY
FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 392,932	\$ 392,932	\$ 392,932	\$ -
Resources (Inflows):				
Use of money and property	-	-	6,223	6,223
Miscellaneous	-	-	20,000	20,000
Transfers in	79,232	71,500	71,483	(17)
Amounts Available for Appropriations	472,164	464,432	490,638	26,206
Charges to Appropriations (Outflows):				
General government	15,734	15,734	15,582	152
Community development	10,176	11,276	11,067	209
Total Charges to Appropriations	25,910	27,010	26,649	361
Budgetary Fund Balance, June 30	\$ 446,254	\$ 437,422	\$ 463,989	\$ 26,567

The notes to required supplementary information are an integral part of this schedule.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
 JUNE 30, 2018

Note 1: Stewardship, Compliance and Accountability

Budgetary Data

Annual budgets are adopted on a basis consistent with GAAP. As a General Law City, the City is not legally required to adopt a budget; however, the City Municipal Code requires the City Manager to prepare an annual budget based on projections received from all city departments, boards and commissions. There was no legally adopted budget for the Reyes Adobe Interchange Capital Projects Fund. All annual appropriations lapse at year end or are carried forward at the City Manager’s discretion.

The budget is prepared by fund and department and includes actual information for the past year, current year estimates and requested appropriations for the next fiscal year. The budget is a statement of the goals and objectives of the City for that fiscal year. The City Manager may authorize the transfer between expenditure accounts within the same department, office, agency or program activity. Where an appropriation requires an increase that cannot be supported by a transfer within those guidelines, City Council authorization is required.

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. The City is required to adopt an annual budget resolution for the General Fund and Special Revenue Funds, except the Successor Housing Agency. All annual appropriations lapse at year end but can be carried forward at the City Manager’s discretion.

The budget is prepared by fund, function and activity, and includes actual information for the past year, current year estimates and requested appropriations for the next fiscal year. The budget is a statement of the goals and objectives of the City for that fiscal year. The legal level for which expenditures are not to exceed appropriations is at the fund level for all funds except the General Fund and at the department level for the General Fund. The City Manager may authorize the transfer between expenditure accounts within the same department, office, agency or program activity. Where an appropriation requires an increase that cannot be supported by transfer guidelines, City Council authorization is required. Responsible individuals review progress against their budget each month. The City Council considers supplemental budget amendment requests during the year and reviews changes at mid-year and year end.

Excess of expenditures over appropriations per activity is as follows:

Fund	Final Budget	Expenditures	Excess
Major Funds			
General Fund			
General Government			
Automated Office System	\$ 197,927	\$ 227,639	\$ 29,712
Public Safety			
Los Angeles County Sheriff	4,387,824	4,388,260	436
Parks and Recreation			
Recreation Center	332,220	334,418	2,198

CITY OF AGOURA HILLS, CALIFORNIA

**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	2018
Total OPEB Liability	
Service cost	\$ 105,000
Interest on the total OPEB liability	157,000
Benefit payments	(56,000)
Net change in total OPEB liability	206,000
Total OPEB liability - beginning	2,258,000
Total OPEB liability - ending (a)	2,464,000
Plan Fiduciary Net Position	
Contribution - employer	175,000
Net investment income	135,000
Benefit payments	(56,000)
Administrative expense	(1,000)
Net change in plan fiduciary net position	253,000
Plan fiduciary net position - beginning	1,167,000
Plan fiduciary net position - ending (b)	\$ 1,420,000
Net OPEB Liability - ending (a) - (b)	\$ 1,044,000
Plan fiduciary net position as a percentage of the total OPEB liability	57.6%
Covered-employee payroll	\$ 3,370,827
Net OPEB liability as a percentage of covered-employee payroll	30.97%

Notes to Schedule:

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

CITY OF AGOURA HILLS, CALIFORNIA

**SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2018</u>
Actuarially Determined Contribution	\$ 189,000
Contribution in Relation to the Actuarially Determined Contributions	(189,000)
Contribution Deficiency (Excess)	<u>\$ -</u>
 Covered-employee payroll	 \$ 3,370,827
 Contributions as a percentage of covered-employee payroll	 5.61%

Notes to Schedule:

Actuarial methods and assumptions used to set the actuarially determined contribution for Fiscal Year 2018 were from the June 30, 2017 actuarial valuation.

Valuation Date	June 30, 2017
Actuarial Cost Method	Entry Age Normal, Level Percentage of Payroll
Amortization Method	Level percent of pay
Amortization Period	21-year fixed period for 2017/18
Asset Valuation Method	Investment gains and losses spread over 5-year rolling period
 Discount Rate	 6.75%
General Inflation	2.75%
Medical Trend	Non-Medicare - 7.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076 Medicare - 6.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076
 Mortality	 CalPERS 1997-2015 experience study
Mortality Improvement	Mortality Improvement Scale 2017 for post-retirement mortality

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

CITY OF AGOURA HILLS, CALIFORNIA

**COST-SHARING MULTIPLE EMPLOYER MISCELLANEOUS PLANS
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Miscellaneous				
Proportion of the Net Pension Liability	0.04517%	0.04331%	0.03983%	0.04212%
Proportionate Share of the Net Pension Liability	\$ 4,479,822	\$ 3,747,628	\$ 2,733,736	\$ 2,621,118
Covered Payroll	\$ 3,197,648	\$ 3,109,153	\$ 3,104,821	\$ 3,403,443
Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	140%	121%	88.05%	77.01%
Pension Liability	73.30%	74.06%	78.40%	79.82%

Notes to Schedule:

Benefit Changes: None

Changes of Assumptions: In 2015, there were no changes. In 2016, the discount rate was changed from 7.5 percent (net of administration expenses) to 7.65 percent. In 2017, the accounting discount rate reduced from 7.65 to 7.15 percent.

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only four years are shown.

CITY OF AGOURA HILLS, CALIFORNIA

**COST-SHARING MULTIPLE EMPLOYER MISCELLANEOUS PLANS
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Miscellaneous				
Actuarially Determined Contribution	\$ 443,161	\$ 392,645	\$ 350,597	\$ 338,101
Contribution in Relation to the Actuarially Determined Contribution	(443,161)	(392,645)	(350,597)	(338,101)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 3,370,827	\$ 3,197,648	\$ 3,109,153	\$ 3,104,821
Contributions as a Percentage of Covered Payroll	13.15%	12.28%	18.13%	10.89%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only four years are shown.

Note to Schedule:

Valuation Date:	June 30, 2015
Methods and assumptions used to determine contribution rates:	
Single and Agent Employers	Entry age normal
Amortization method	Level percent of payroll, closed 20 years
Assets valuation method	Market value
Inflation	2.75%
Salary Increases	3.30% - 14.20% depending on age, service and type of employment
Investment rate of return	7.5% net of pension plan investment and administrative expense, including inflation
Retirement age	55 years
Mortality	RP-2000 Heath Annuitant Mortality Table

SUPPLEMENTARY SCHEDULES

DESCRIPTION OF NON-MAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds

Traffic Improvement – To account for traffic improvement and arterial street system fees paid by developers which may only be used for constructing traffic impacted arterial streets.

Traffic Safety – To account of traffic fines which may only be used for traffic safety purposes.

Transit Tax – To account for Proposition A funds received from the County of Los Angeles which may only be used to provide transportation services.

Public Transit – To account for Proposition C funds received from the County of Los Angeles which may only be used to provide transportation services.

Air Quality Management – To account for funds received from the South Coast Air Quality Management District which may only be used for air quality improvement.

Community Development Block Grant – To account for restricted housing rehabilitation loans administered with Community Development Block Grant (CDBG) funds.

Supplemental Law Enforcement – To account for Brulte funds received from the state for the use of Public Safety (COPS) programs.

Solid Waste Management – To account for the funds relating to collection, transportation and recycling of refuse materials for City residents and businesses.

State Gas Tax – To account for funds allocated to the City by the State which may only be used for street maintenance, construction, right of way acquisition and/or reconstruction.

Measure R – To account for public transit tax received under Measure R. These funds are paid by the County of Los Angeles.

Other Grants – To account for various state grant funds received for street improvements and park developments.

Inclusionary Housing – To account for in-lieu fees that are committed for the development or maintenance of housing that is affordable to low to moderate income households.

Utility Undergrounding – To account for the undergrounding of utility lines within the City undergrounding district.

Road Rehab – To account for funds allocated to the City for road maintenance and rehabilitation.

Measure M – To account for funds allocated to the City for transit projects.

Nonmajor Capital Projects Funds

Recreation Center Capital Projects – To account for the funds to be used for that are assigned for the development or maintenance of the City's recreation center.

Storm Water Capital Projects – To account for the funds to be used for the development or maintenance of the City's storm water program.

Capital Projects – To account for funds that are to be used for various capital projects throughout the City.

DESCRIPTION OF NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)

Nonmajor Debt Service Funds

Financing Authority Debt Service – To account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Agoura Hills Improvement Authority – To account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

CITY OF AGOURA HILLS, CALIFORNIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Special Revenue Funds			
	Traffic Improvement	Traffic Safety	Transit Tax (Prop A)	Public Transit (Prop C)
Assets:				
Cash and investments	\$ 1,175,558	\$ 7,757	\$ 682,879	\$ 164
Receivables:				
Accounts	-	-	-	-
Deferred loans	-	-	-	-
Due from other governments	-	7,867	48,730	-
Due from other funds	463,763	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 1,639,321	\$ 15,624	\$ 731,609	\$ 164
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):				
Liabilities:				
Accounts payable	\$ 115,368	\$ 10,545	\$ 60,975	\$ 11,913
Accrued liabilities	-	-	1,208	353
Unearned revenues	-	-	-	-
Deposits payable	329,743	-	-	-
Due to other funds	-	-	-	72,000
Total Liabilities	445,111	10,545	62,183	84,266
Deferred Inflows of Resources:				
Unavailable revenues	-	-	7,387	-
Total Deferred Inflows of Resources	-	-	7,387	-
Fund Balances (Deficits):				
Restricted for:				
Capital Projects	-	-	-	-
Debt service	-	-	-	-
Air quality improvement	-	-	-	-
Grant programs	-	-	-	-
Transportation services	-	-	662,039	-
Committed to:				
Capital Projects	1,194,210	5,079	-	-
Waste management programs	-	-	-	-
Housing programs	-	-	-	-
Assigned to:				
Capital Projects	-	-	-	-
Debt service	-	-	-	-
Unassigned	-	-	-	(84,102)
Total Fund Balances (Deficits)	1,194,210	5,079	662,039	(84,102)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 1,639,321	\$ 15,624	\$ 731,609	\$ 164

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

(CONTINUED)

	Special Revenue Funds			
	Air Quality Management	Community Development Block Grant	Supplemental Law Enforcement	Solid Waste Management
Assets:				
Cash and investments	\$ 31,020	\$ 227	\$ 79,769	\$ 150,379
Receivables:				
Accounts	-	4,516	-	37,177
Deferred loans	-	313,447	-	-
Due from other governments	6,920	1,966	-	-
Due from other funds	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 37,940	\$ 320,156	\$ 79,769	\$ 187,556
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 16,333	\$ 1,773
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	6,700	-	-
Total Liabilities	-	6,700	16,333	1,773
Deferred Inflows of Resources:				
Unavailable revenues	-	317,963	-	-
Total Deferred Inflows of Resources	-	317,963	-	-
Fund Balances (Deficits):				
Restricted for:				
Capital Projects	-	-	-	-
Debt service	-	-	-	-
Air quality improvement	37,940	-	-	-
Grant programs	-	-	63,436	-
Transportation services	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Waste management programs	-	-	-	185,783
Housing programs	-	-	-	-
Assigned to:				
Capital Projects	-	-	-	-
Debt service	-	-	-	-
Unassigned	-	(4,507)	-	-
Total Fund Balances (Deficits)	37,940	(4,507)	63,436	185,783
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 37,940	\$ 320,156	\$ 79,769	\$ 187,556

CITY OF AGOURA HILLS, CALIFORNIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	<u>Special Revenue Funds</u>			
	<u>State Gas Tax</u>	<u>Measure R</u>	<u>Other Grants</u>	<u>Inclusionary Housing</u>
Assets:				
Cash and investments	\$ 126,974	\$ 44,148	\$ 25,873	\$ 2,824,798
Receivables:				
Accounts	-	-	135,116	-
Deferred loans	-	-	-	-
Due from other governments	-	-	1,152	-
Due from other funds	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	<u>\$ 126,974</u>	<u>\$ 44,148</u>	<u>\$ 162,141</u>	<u>\$ 2,824,798</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):				
Liabilities:				
Accounts payable	\$ 18,275	\$ 6,723	\$ 9,064	\$ -
Accrued liabilities	-	88	-	-
Unearned revenues	-	-	178,276	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	<u>18,275</u>	<u>6,811</u>	<u>187,340</u>	<u>-</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	121,875	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>121,875</u>	<u>-</u>
Fund Balances (Deficits):				
Restricted for:				
Capital Projects	108,699	37,337	-	-
Debt service	-	-	-	-
Air quality improvement	-	-	-	-
Grant programs	-	-	-	-
Transportation services	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Waste management programs	-	-	-	-
Housing programs	-	-	-	2,824,798
Assigned to:				
Capital Projects	-	-	-	-
Debt service	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>(147,074)</u>	<u>-</u>
Total Fund Balances (Deficits)	<u>108,699</u>	<u>37,337</u>	<u>(147,074)</u>	<u>2,824,798</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 126,974</u>	<u>\$ 44,148</u>	<u>\$ 162,141</u>	<u>\$ 2,824,798</u>

CITY OF AGOURA HILLS, CALIFORNIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

(CONTINUED)

	Special Revenue Funds			Capital Projects Funds
	Utility Undergrounding	Road Rehab Fund	Measure M Fund	Recreation Center
Assets:				
Cash and investments	\$ 50,767	\$ 1,892	\$ 10,294	\$ 1,957
Receivables:				
Accounts	-	-	-	-
Deferred loans	-	-	-	-
Due from other governments	-	44,547	-	-
Due from other funds	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 50,767	\$ 46,439	\$ 10,294	\$ 1,957
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 6,953	\$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	43,000	-	-
Total Liabilities	-	43,000	6,953	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances (Deficits):				
Restricted for:				
Capital Projects	-	3,439	3,341	-
Debt service	-	-	-	-
Air quality improvement	-	-	-	-
Grant programs	-	-	-	-
Transportation services	-	-	-	-
Committed to:				
Capital Projects	50,767	-	-	-
Waste management programs	-	-	-	-
Housing programs	-	-	-	-
Assigned to:				
Capital Projects	-	-	-	1,957
Debt service	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	50,767	3,439	3,341	1,957
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 50,767	\$ 46,439	\$ 10,294	\$ 1,957

CITY OF AGOURA HILLS, CALIFORNIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Capital Projects Funds		Debt Service Funds		Total Nonmajor Governmental Funds
	Storm Water Capital Projects	Capital Projects Fund	Financing Authority Debt Service	Agoura Hills Improvement Authority	
Assets:					
Cash and investments	\$ 591,739	\$ 117,325	\$ 1,625	\$ 22,782	\$ 5,947,927
Receivables:					
Accounts	-	-	-	-	176,809
Deferred loans	-	-	-	-	313,447
Due from other governments	-	-	-	-	111,182
Due from other funds	-	-	-	-	463,763
Restricted assets:					
Cash and investments with fiscal agents	-	-	1	246,811	246,812
Total Assets	\$ 591,739	\$ 117,325	\$ 1,626	\$ 269,593	\$ 7,259,940
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):					
Liabilities:					
Accounts payable	\$ -	\$ 67,339	\$ -	\$ -	\$ 325,261
Accrued liabilities	-	-	-	-	1,649
Unearned revenues	-	-	-	-	178,276
Deposits payable	-	-	-	-	329,743
Due to other funds	-	-	-	-	121,700
Total Liabilities	-	67,339	-	-	956,629
Deferred Inflows of Resources:					
Unavailable revenues	-	-	-	-	447,225
Total Deferred Inflows of Resources	-	-	-	-	447,225
Fund Balances (Deficits):					
Restricted for:					
Capital Projects	-	-	-	-	152,816
Debt service	-	-	-	269,593	269,593
Air quality improvement	-	-	-	-	37,940
Grant programs	-	-	-	-	63,436
Transportation services	-	-	-	-	662,039
Committed to:					
Capital Projects	-	49,986	-	-	1,300,042
Waste management programs	-	-	-	-	185,783
Housing programs	-	-	-	-	2,824,798
Assigned to:					
Capital Projects	591,739	-	-	-	593,696
Debt service	-	-	1,626	-	1,626
Unassigned	-	-	-	-	(235,683)
Total Fund Balances (Deficits)	591,739	49,986	1,626	269,593	5,856,086
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 591,739	\$ 117,325	\$ 1,626	\$ 269,593	\$ 7,259,940

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CITY OF AGOURA HILLS, CALIFORNIA

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018**

	Special Revenue Funds			
	Traffic Improvement	Traffic Safety	Transit Tax (Prop A)	Public Transit (Prop C)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	545,466	326,643
Charges for services	-	-	-	-
Use of money and property	11,416	30	11,263	2,735
Fines and forfeitures	-	46,052	-	-
Contributions	586,857	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	598,273	46,082	556,729	329,378
Expenditures:				
Current:				
General government	-	-	31,298	7,179
Public safety	-	45,000	-	-
Community development	-	-	-	-
Parks and recreation	-	-	103,260	-
Public works	-	-	359,866	114,894
Capital outlay	67,996	-	142,758	417,921
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	67,996	45,000	637,182	539,994
Excess (Deficiency) of Revenues Over (Under) Expenditures	530,277	1,082	(80,453)	(210,616)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Special items	184,159	-	-	-
Net Change in Fund Balances	714,436	1,082	(80,453)	(210,616)
Fund Balances (Deficits), Beginning of Year	479,774	3,997	742,492	126,514
Fund Balances (Deficits), End of Year	\$ 1,194,210	\$ 5,079	\$ 662,039	\$ (84,102)

CITY OF AGOURA HILLS, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

(CONTINUED)

	Special Revenue Funds			
	Air Quality Management	Community Development Block Grant	Supplemental Law Enforcement	Solid Waste Management
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ 35,591
Intergovernmental	26,820	144,765	119,121	-
Charges for services	-	-	-	71,832
Use of money and property	506	6	1,119	2,438
Fines and forfeitures	-	-	-	-
Contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	27,326	144,771	120,240	109,861
Expenditures:				
Current:				
General government	38,878	-	-	-
Public safety	-	-	101,956	-
Community development	-	-	-	78,183
Parks and recreation	-	9,465	-	-
Public works	-	-	-	-
Capital outlay	-	90,015	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	38,878	99,480	101,956	78,183
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,552)	45,291	18,284	31,678
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Special items	-	-	-	-
Net Change in Fund Balances	(11,552)	45,291	18,284	31,678
Fund Balances (Deficits), Beginning of Year	49,492	(49,798)	45,152	154,105
Fund Balances (Deficits), End of Year	\$ 37,940	\$ (4,507)	\$ 63,436	\$ 185,783

CITY OF AGOURA HILLS, CALIFORNIA

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018**

	Special Revenue Funds			
	State Gas Tax	Measure R	Other Grants	Inclusionary Housing
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	446,539	245,807	628,099	-
Charges for services	-	-	-	-
Use of money and property	1,884	1,610	-	40,648
Fines and forfeitures	-	-	-	-
Contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	448,423	247,417	628,099	40,648
Expenditures:				
Current:				
General government	-	-	75,151	-
Public safety	-	-	-	-
Community development	-	-	-	198
Parks and recreation	-	-	958	-
Public works	412,443	24,012	13,781	-
Capital outlay	-	214,046	417,664	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	412,443	238,058	507,554	198
Excess (Deficiency) of Revenues Over (Under) Expenditures	35,980	9,359	120,545	40,450
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Special items	-	-	-	-
Net Change in Fund Balances	35,980	9,359	120,545	40,450
Fund Balances (Deficits), Beginning of Year	72,719	27,978	(267,619)	2,784,348
Fund Balances (Deficits), End of Year	\$ 108,699	\$ 37,337	\$ (147,074)	\$ 2,824,798

CITY OF AGOURA HILLS, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

(CONTINUED)

	Special Revenue Funds			Capital Projects Funds
	Utility Undergrounding	Road Rehab Fund	Measure M Fund	Recreation Center
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	123,156	222,757	-
Charges for services	-	-	-	-
Use of money and property	730	127	21	28
Fines and forfeitures	-	-	-	-
Contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	730	123,283	222,778	28
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Parks and recreation	-	-	-	-
Public works	-	-	159,437	-
Capital outlay	-	119,844	60,000	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	119,844	219,437	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	730	3,439	3,341	28
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Special items	-	-	-	-
Net Change in Fund Balances	730	3,439	3,341	28
Fund Balances (Deficits), Beginning of Year	50,037	-	-	1,929
Fund Balances (Deficits), End of Year	\$ 50,767	\$ 3,439	\$ 3,341	\$ 1,957

CITY OF AGOURA HILLS, CALIFORNIA

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018**

	Capital Projects Funds		Debt Service Funds		Total Nonmajor Governmental Funds
	Storm Water Capital Projects	Capital Projects Fund	Financing Authority Debt Service	Agoura Hills Improvement Authority	
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 35,591
Intergovernmental	-	-	-	-	2,829,173
Charges for services	-	-	-	-	71,832
Use of money and property	7,854	2,404	22	810	85,651
Fines and forfeitures	-	-	-	-	46,052
Contributions	-	-	-	-	586,857
Miscellaneous	28,335	-	-	-	28,335
Total Revenues	36,189	2,404	22	810	3,683,491
Expenditures:					
Current:					
General government	-	-	-	-	152,506
Public safety	-	9,230	-	-	156,186
Community development	-	-	-	-	78,381
Parks and recreation	-	-	-	-	113,683
Public works	-	-	-	-	1,084,433
Capital outlay	-	305,488	-	-	1,835,732
Debt service:					
Principal retirement	-	-	-	310,000	310,000
Interest and fiscal charges	-	-	-	599,458	599,458
Total Expenditures	-	314,718	-	909,458	4,330,379
Excess (Deficiency) of Revenues Over (Under) Expenditures	36,189	(312,314)	22	(908,648)	(646,888)
Other Financing Sources (Uses):					
Transfers in	-	112,300	-	913,025	1,025,325
Total Other Financing Sources (Uses)	-	112,300	-	913,025	1,025,325
Special items	-	-	-	-	184,159
Net Change in Fund Balances	36,189	(200,014)	22	4,377	562,596
Fund Balances (Deficits), Beginning of Year	555,550	250,000	1,604	265,216	5,293,490
Fund Balances (Deficits), End of Year	\$ 591,739	\$ 49,986	\$ 1,626	\$ 269,593	\$ 5,856,086

CITY OF AGOURA HILLS, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
TRAFFIC IMPROVEMENT
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 479,774	\$ 479,774	\$ 479,774	\$ -
Resources (Inflows):				
Use of money and property	4,000	4,000	11,416	7,416
Contributions	1,739,952	700,000	586,857	(113,143)
Special items	-	-	184,159	184,159
Amounts Available for Appropriations	2,223,726	1,183,774	1,262,206	78,432
Charges to Appropriations (Outflows):				
Capital outlay	50,000	70,000	67,996	2,004
Total Charges to Appropriations	50,000	70,000	67,996	2,004
Budgetary Fund Balance, June 30	\$ 2,173,726	\$ 1,113,774	\$ 1,194,210	\$ 80,436

CITY OF AGOURA HILLS, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
TRAFFIC SAFETY
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 3,997	\$ 3,997	\$ 3,997	\$ -
Resources (Inflows):				
Use of money and property	200	200	30	(170)
Fines and forfeitures	70,000	50,000	46,052	(3,948)
Amounts Available for Appropriations	74,197	54,197	50,079	(4,118)
Charges to Appropriations (Outflows):				
Public safety	70,000	50,000	45,000	5,000
Total Charges to Appropriations	70,000	50,000	45,000	5,000
Budgetary Fund Balance, June 30	\$ 4,197	\$ 4,197	\$ 5,079	\$ 882

CITY OF AGOURA HILLS, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
TRANSIT TAX (PROP A)
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 742,492	\$ 742,492	\$ 742,492	\$ -
Resources (Inflows):				
Intergovernmental	527,734	515,278	545,466	30,188
Use of money and property	3,000	3,000	11,263	8,263
Amounts Available for Appropriations	1,273,226	1,260,770	1,299,221	38,451
Charges to Appropriations (Outflows):				
General government	-	-	31,298	(31,298)
Parks and recreation	135,203	135,203	103,260	31,943
Public works	311,385	368,110	359,866	8,244
Capital outlay	135,000	143,000	142,758	242
Total Charges to Appropriations	581,588	646,313	637,182	9,131
Budgetary Fund Balance, June 30	\$ 691,638	\$ 614,457	\$ 662,039	\$ 47,582

CITY OF AGOURA HILLS, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
PUBLIC TRANSIT (PROP C)
FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 126,514	\$ 126,514	\$ 126,514	\$ -
Resources (Inflows):				
Intergovernmental	330,800	330,800	326,643	(4,157)
Use of money and property	500	500	2,735	2,235
Amounts Available for Appropriations	457,814	457,814	455,892	(1,922)
Charges to Appropriations (Outflows):				
General government	11,200	21,200	7,179	14,021
Public works	114,790	114,790	114,894	(104)
Capital outlay	300,000	440,000	417,921	22,079
Total Charges to Appropriations	425,990	575,990	539,994	35,996
Budgetary Fund Balance (Deficit), June 30	\$ 31,824	\$ (118,176)	\$ (84,102)	\$ 34,074

CITY OF AGOURA HILLS, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
AIR QUALITY MANAGEMENT
FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 49,492	\$ 49,492	\$ 49,492	\$ -
Resources (Inflows):				
Intergovernmental	26,700	26,700	26,820	120
Use of money and property	300	300	506	206
Amounts Available for Appropriations	76,492	76,492	76,818	326
Charges to Appropriations (Outflows):				
General government	36,200	45,000	38,878	6,122
Total Charges to Appropriations	36,200	45,000	38,878	6,122
Budgetary Fund Balance, June 30	\$ 40,292	\$ 31,492	\$ 37,940	\$ 6,448

CITY OF AGOURA HILLS, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Deficit, July 1	\$ (49,798)	\$ (49,798)	\$ (49,798)	\$ -
Resources (Inflows):				
Intergovernmental	64,392	143,000	144,765	1,765
Use of money and property	-	-	6	6
Amounts Available for Appropriations	14,594	93,202	94,973	1,771
Charges to Appropriations (Outflows):				
Parks and recreation	9,658	9,908	9,465	443
Capital outlay	54,700	90,015	90,015	-
Total Charges to Appropriations	64,358	99,923	99,480	443
Budgetary Fund Deficit, June 30	\$ (49,764)	\$ (6,721)	\$ (4,507)	\$ 2,214

CITY OF AGOURA HILLS, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 SUPPLEMENTAL LAW ENFORCEMENT
 FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 45,152	\$ 45,152	\$ 45,152	\$ -
Resources (Inflows):				
Intergovernmental	100,000	100,000	119,121	19,121
Use of money and property	700	700	1,119	419
Amounts Available for Appropriations	145,852	145,852	165,392	19,540
Charges to Appropriations (Outflows):				
Public safety	100,000	102,500	101,956	544
Total Charges to Appropriations	100,000	102,500	101,956	544
Budgetary Fund Balance, June 30	\$ 45,852	\$ 43,352	\$ 63,436	\$ 20,084

CITY OF AGOURA HILLS, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
SOLID WASTE MANAGEMENT
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 154,105	\$ 154,105	\$ 154,105	\$ -
Resources (Inflows):				
Taxes	36,000	36,000	35,591	(409)
Charges for services	81,000	81,000	71,832	(9,168)
Use of money and property	1,500	1,500	2,438	938
Amounts Available for Appropriations	272,605	272,605	263,966	(8,639)
Charges to Appropriations (Outflows):				
Community development	98,500	98,500	78,183	20,317
Total Charges to Appropriations	98,500	98,500	78,183	20,317
Budgetary Fund Balance, June 30	\$ 174,105	\$ 174,105	\$ 185,783	\$ 11,678

CITY OF AGOURA HILLS, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 STATE GAS TAX FUND
 FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 72,719	\$ 72,719	\$ 72,719	\$ -
Resources (Inflows):				
Intergovernmental	476,002	462,285	446,539	(15,746)
Use of money and property	1,000	1,000	1,884	884
Amounts Available for Appropriations	549,721	536,004	521,142	(14,862)
Charges to Appropriations (Outflows):				
Public works	440,300	450,300	412,443	37,857
Total Charges to Appropriations	440,300	450,300	412,443	37,857
Budgetary Fund Balance, June 30	\$ 109,421	\$ 85,704	\$ 108,699	\$ 22,995

CITY OF AGOURA HILLS, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 MEASURE R
 FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 27,978	\$ 27,978	\$ 27,978	\$ -
Resources (Inflows):				
Intergovernmental	236,693	236,693	245,807	9,114
Use of money and property	-	-	1,610	1,610
Amounts Available for Appropriations	264,671	264,671	275,395	10,724
Charges to Appropriations (Outflows):				
Public works	18,437	18,437	24,012	(5,575)
Capital outlay	210,000	235,000	214,046	20,954
Total Charges to Appropriations	228,437	253,437	238,058	15,379
Budgetary Fund Balance, June 30	\$ 36,234	\$ 11,234	\$ 37,337	\$ 26,103

CITY OF AGOURA HILLS, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
OTHER GRANTS
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Deficit, July 1	\$ (267,619)	\$ (267,619)	\$ (267,619)	\$ -
Resources (Inflows):				
Intergovernmental	429,672	695,672	628,099	(67,573)
Amounts Available for Appropriations	162,053	428,053	360,480	(67,573)
Charges to Appropriations (Outflows):				
General government	61,028	61,028	75,151	(14,123)
Parks and recreation	-	-	958	(958)
Public works	13,722	13,722	13,781	(59)
Capital outlay	350,000	491,000	417,664	73,336
Total Charges to Appropriations	424,750	565,750	507,554	58,196
Budgetary Fund Deficit, June 30	\$ (262,697)	\$ (137,697)	\$ (147,074)	\$ (9,377)

CITY OF AGOURA HILLS, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 INCLUSIONARY HOUSING
 FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,784,348	\$ 2,784,348	\$ 2,784,348	\$ -
Resources (Inflows):				
Use of money and property	8,000	8,000	40,648	32,648
Amounts Available for Appropriations	2,792,348	2,792,348	2,824,996	32,648
Charges to Appropriations (Outflows):				
Community development	-	-	198	(198)
Total Charges to Appropriations	-	-	198	(198)
Budgetary Fund Balance, June 30	\$ 2,792,348	\$ 2,792,348	\$ 2,824,798	\$ 32,450

CITY OF AGOURA HILLS, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
UTILITY UNDERGROUNDING
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 50,037	\$ 50,037	\$ 50,037	\$ -
Resources (Inflows):				
Use of money and property	500	500	730	230
Amounts Available for Appropriations	50,537	50,537	50,767	230
Budgetary Fund Balance, June 30	\$ 50,537	\$ 50,537	\$ 50,767	\$ 230

CITY OF AGOURA HILLS, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 ROAD REHAB FUND
 FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	122,318	119,870	123,156	3,286
Use of money and property	-	-	127	127
Amounts Available for Appropriations	122,318	119,870	123,283	3,413
Charges to Appropriations (Outflows):				
Public works	118,000	-	-	-
Capital outlay	-	119,850	119,844	6
Total Charges to Appropriations	118,000	119,850	119,844	6
Budgetary Fund Balance, June 30	\$ 4,318	\$ 20	\$ 3,439	\$ 3,419

CITY OF AGOURA HILLS, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
MEASURE M FUND
FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	221,250	221,250	222,757	1,507
Use of money and property	-	-	21	21
Amounts Available for Appropriations	221,250	221,250	222,778	1,528
Charges to Appropriations (Outflows):				
Public works	145,500	165,500	159,437	6,063
Capital outlay	60,000	60,000	60,000	-
Total Charges to Appropriations	205,500	225,500	219,437	6,063
Budgetary Fund Balance, June 30	\$ 15,750	\$ (4,250)	\$ 3,341	\$ 7,591

CITY OF AGOURA HILLS, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
MEASURE R CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Deficit, July 1	\$ (4,708,451)	\$ (4,708,451)	\$ (4,708,451)	\$ -
Resources (Inflows):				
Intergovernmental	1,689,267	6,500,000	3,916,539	(2,583,461)
Use of money and property	-	-	2,887	2,887
Amounts Available for Appropriations	(3,019,184)	1,791,549	(789,025)	(2,580,574)
Charges to Appropriations (Outflows):				
General government	261,579	261,579	242,471	19,108
Community development	-	-	348	(348)
Public works	284,586	284,586	259,171	25,415
Capital outlay	1,492,000	1,982,619	1,972,040	10,579
Total Charges to Appropriations	2,038,165	2,528,784	2,474,030	54,754
Budgetary Fund Deficit, June 30	\$ (5,057,349)	\$ (737,235)	\$ (3,263,055)	\$ (2,525,820)

CITY OF AGOURA HILLS, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 RECREATION CENTER CAPITAL PROJECTS FUND
 FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,929	\$ 1,929	\$ 1,929	\$ -
Resources (Inflows):				
Use of money and property	-	-	28	28
Amounts Available for Appropriations	1,929	1,929	1,957	28
Budgetary Fund Balance, June 30	\$ 1,929	\$ 1,929	\$ 1,957	\$ 28

CITY OF AGOURA HILLS, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 STORM WATER CAPITAL PROJECTS FUND
 FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 555,550	\$ 555,550	\$ 555,550	\$ -
Resources (Inflows):				
Use of money and property	-	-	7,854	7,854
Miscellaneous	-	-	28,335	28,335
Amounts Available for Appropriations	555,550	555,550	591,739	36,189
Charges to Appropriations (Outflows):				
Public works	75,000	-	-	-
Total Charges to Appropriations	75,000	-	-	-
Budgetary Fund Balance, June 30	\$ 480,550	\$ 555,550	\$ 591,739	\$ 36,189

CITY OF AGOURA HILLS, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 CAPITAL PROJECTS FUND
 FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 250,000	\$ 250,000	\$ 250,000	\$ -
Resources (Inflows):				
Use of money and property	-	-	2,404	2,404
Transfers in	-	112,300	112,300	-
Amounts Available for Appropriations	250,000	362,300	364,704	2,404
Charges to Appropriations (Outflows):				
Public safety	-	9,300	9,230	70
Capital outlay	250,000	305,633	305,488	145
Total Charges to Appropriations	250,000	314,933	314,718	215
Budgetary Fund Balance, June 30	\$ -	\$ 47,367	\$ 49,986	\$ 2,619

CITY OF AGOURA HILLS, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
FINANCING AUTHORITY
FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,604	\$ 1,604	\$ 1,604	\$ -
Resources (Inflows):				
Use of money and property	-	-	22	22
Transfers in	670,000	-	-	-
Amounts Available for Appropriations	671,604	1,604	1,626	22
Charges to Appropriations (Outflows):				
General government	4,000	-	-	-
Debt service:				
Principal retirement	235,000	-	-	-
Interest and fiscal charges	431,031	-	-	-
Total Charges to Appropriations	670,031	-	-	-
Budgetary Fund Balance, June 30	\$ 1,573	\$ 1,604	\$ 1,626	\$ 22

CITY OF AGOURA HILLS, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
 AGOURA HILLS IMPROVEMENT AUTHORITY
 FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 265,216	\$ 265,216	\$ 265,216	\$ -
Resources (Inflows):				
Use of money and property	-	-	810	810
Transfers in	243,025	913,025	913,025	-
Amounts Available for Appropriations	508,241	1,178,241	1,179,051	810
Charges to Appropriations (Outflows):				
Debt service:				
Principal retirement	75,000	310,000	310,000	-
Interest and fiscal charges	159,512	599,743	599,458	285
Total Charges to Appropriations	234,512	909,743	909,458	285
Budgetary Fund Balance (Deficit), June 30	\$ 273,729	\$ 268,498	\$ 269,593	\$ 1,095

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FIDUCIARY FUND

Agency Fund – To account for assets held by the City in a trustee capacity or as an agent on behalf of others.

CITY OF AGOURA HILLS, CALIFORNIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED JUNE 30, 2018

	<u>Balance July 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2018</u>
<u>Agency Fund</u>				
Assets:				
Pooled cash and investments	\$ 1,918,748	\$ 2,086,177	\$ 2,081,304	\$ 1,923,621
Receivables:				
Accounts	103,967	1,071,333	752,933	422,367
Total Assets	<u>\$ 2,022,715</u>	<u>\$ 3,157,510</u>	<u>\$ 2,834,237</u>	<u>\$ 2,345,988</u>
Liabilities:				
Accounts payable	\$ 63,363	\$ 203,553	\$ 63,363	\$ 203,553
Deposits payable	1,959,352	4,655,786	4,472,703	2,142,435
Total Liabilities	<u>\$ 2,022,715</u>	<u>\$ 4,859,339</u>	<u>\$ 4,536,066</u>	<u>\$ 2,345,988</u>

STATISTICAL SECTION

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DESCRIPTION OF STATISTICAL SECTION CONTENTS

June 30, 2018

This part of the City of Agoura Hill's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents:	Schedules
<u>Financial Trends</u> – These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	1 - 4
<u>Revenue Capacity</u> – These schedules contain information to help the reader assess the government's most significant current local revenue source, the property tax.	5 - 8
<u>Debt Capacity</u> – These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	9 - 11
<u>Demographic and Economic Information</u> – These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	12 - 13
<u>Operating Information</u> – These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	14 - 16

Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The City implemented Statement 34 in 2003; however, the City implemented Statement 44 in 2006. Schedules presenting government-wide information include information beginning in that year.

CITY OF AGOURA HILLS
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year		
	2009	2010	2011
Governmental activities			
Net Investment in capital assets	\$49,983,660	\$57,211,864	\$66,710,006 *
Restricted	26,521,423	12,056,277	4,028,535
Unrestricted	9,262,568	16,091,249	15,309,694
Total primary government Net Position-restated	<u>\$85,767,651</u>	<u>\$85,359,390</u>	<u>\$86,048,235</u>

Source: City of Agoura Hills financial data



Fiscal Year						
2012	2013	2014	2015	2016	2017	2018
\$67,179,564	\$ 66,545,330	\$ 71,090,637	\$ 88,327,674	\$ 102,402,711	\$ 107,036,227	\$ 109,062,997
2,662,523	2,476,389	4,054,814	1,569,275	1,641,181	1,723,643	1,649,813
13,973,910	15,956,212	37,983,934	28,035,386	36,440,786	37,138,624	36,535,736
<u>\$83,815,997</u>	<u>\$ 84,977,931</u>	<u>\$ 113,129,385</u>	<u>\$ 117,932,335</u>	<u>\$ 140,484,678</u>	<u>\$ 145,898,494</u>	<u>\$ 147,248,546</u>

CITY OF AGOURA HILLS

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year			
	2009	2010	2011	2012
Expenses				
Governmental activities				
General government	\$ 3,054,767	\$ 3,797,117	\$ 3,192,991	\$ 2,809,488
Public safety	4,186,728	4,069,389	4,355,912	4,101,347
Public works	4,129,327	5,557,145	5,563,786	5,141,512
Community development	1,899,937	1,821,939	1,595,785	1,055,293
Pass through to other agencies	3,805,788	3,677,954	3,602,569	1,449,565
Community services	1,992,453	2,223,534	1,912,544	1,957,257
Interest on long-term debt (unallocated)	1,486,082	1,407,800	1,359,595	953,642
Total primary government expenses	<u>\$ 20,555,082</u>	<u>\$ 22,554,878</u>	<u>\$ 21,583,182</u>	<u>\$ 17,468,104</u>
Program Revenues				
Governmental activities				
Charges for Services				
General government	\$ 155,154	\$ 63,389	\$ 64,506	\$ 92,593
Public safety	575,792	751,293	622,151	530,285
Public works	162,319	119,493	156,468	153,422
Community development	182,152	78,863	216,354	146,932
Community services	286,443	244,876	273,920	285,797
Operating grants and contributions	1,894,247	2,256,379	2,934,225	2,788,229
Capital grants and contributions	3,555,911	3,102,464	2,680,376	669,308
Total primary government program revenues	<u>\$ 6,812,018</u>	<u>\$ 6,616,757</u>	<u>\$ 6,948,000</u>	<u>\$ 4,666,566</u>
Net (Expense)/Revenue				
Total primary government net expense	<u>\$ 13,743,064</u>	<u>\$ 15,938,121</u>	<u>\$ 14,635,182</u>	<u>\$ 12,801,538</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes	\$ 15,534,187	\$ 14,617,232	\$ 14,661,200	\$ 12,278,663
Intergovernmental revenues	84,860	68,491	118,561	-
Investment earnings	1,038,661	628,622	323,286	273,503
Other revenues	383,994	253,837	220,980	165,757
Special Item				
Total primary government	<u>\$ 17,041,702</u>	<u>\$ 15,568,182</u>	<u>\$ 15,324,027</u>	<u>\$ 12,717,923</u>
Change in Net Position				
Total primary government	<u>\$ 30,784,766</u>	<u>\$ 31,506,303</u>	<u>\$ 29,959,209</u>	<u>\$ 25,519,461</u>

Source: City of Agoura Hills financial data

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ 4,224,974	\$ 4,395,273	\$ 3,636,202	\$ 4,270,495	\$ 4,668,415	\$ 4,840,745
4,307,129	4,364,195	4,014,645	4,194,614	4,461,825	4,671,492
3,095,828	3,114,273	3,885,466	4,053,734	4,463,701	4,460,115
989,646	985,074	1,625,957	1,398,948	1,618,074	1,718,379
-	-	-	-	-	-
1,999,606	2,184,204	2,214,787	2,470,941	2,823,604	3,027,389
470,616	761,822	631,316	625,051	866,327	517,386
<u>\$ 15,087,799</u>	<u>\$ 15,804,841</u>	<u>\$ 16,008,373</u>	<u>\$ 17,013,783</u>	<u>\$ 18,901,946</u>	<u>\$ 19,235,506</u>
\$ 129,026	\$ 139,006	\$ 478,314	\$ 156,807	\$ 163,988	\$ 167,941
570,023	565,016	694,531	618,883	875,646	818,733
237,538	240,192	280,493	224,895	226,653	229,345
246,279	160,965	378,825	336,236	333,529	354,455
241,107	267,356	56,408	337,557	445,655	493,827
3,705,524	9,016,536	1,004,621	1,420,156	968,373	2,569,234
329,511	2,578,791	9,379,954	13,955,391	7,509,737	2,423,678
<u>\$ 5,459,008</u>	<u>\$ 12,967,862</u>	<u>\$ 12,273,146</u>	<u>\$ 17,049,925</u>	<u>\$ 10,523,581</u>	<u>\$ 7,057,213</u>
<u>\$ 9,628,791</u>	<u>\$ 2,836,979</u>	<u>\$ (3,735,227)</u>	<u>\$ 72,142</u>	<u>\$ (8,378,365)</u>	<u>\$ (12,178,293)</u>
\$ 10,483,355	\$ 11,274,539	\$ 12,062,480	\$ 12,598,500	\$ 12,403,165	\$ 12,894,034
-	-	-	-	-	-
119,576	154,096	15,564	203,689	784,617	1,026,429
187,793	427,017	298,521	198,680	150,715	345,823
			9,479,215	294,014	175,000
<u>\$ 10,790,724</u>	<u>\$ 11,855,652</u>	<u>\$ 12,376,565</u>	<u>\$ 22,480,084</u>	<u>\$ 13,632,511</u>	<u>\$ 14,441,286</u>
<u>\$ 20,419,515</u>	<u>\$ 14,692,631</u>	<u>\$ 8,641,338</u>	<u>\$ 22,552,226</u>	<u>\$ 5,254,146</u>	<u>\$ 2,262,993</u>

CITY OF AGOURA HILLS
Program Revenues by Function/Program
Last Ten Fiscal Years
(accrual basis of accounting)

Function/Program	Fiscal Year			
	2009	2010	2011	2012
Governmental activities				
General government	\$ 761,277	\$ 282,768	\$ 134,837	\$ 212,500
Public safety	680,227	931,494	803,246	651,076
Public works	3,904,182	4,554,613	5,514,098	3,086,160
Community development	182,152	415,188	216,354	156,574
Transportation	778,816			*
Community services	505,364	432,694	279,465	285,797
Subtotal governmental activities	<u>6,812,018</u>	<u>6,616,757</u>	<u>6,948,000</u>	<u>4,392,107</u>
Total primary government	<u>\$6,812,018</u>	<u>\$6,616,757</u>	<u>\$6,948,000</u>	<u>\$4,392,107</u>

*Amounts for transportation were reclassified to Public Works for FY09-10.

Source: City of Agoura Hills financial data

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ 267,650	\$ 2,599,863	\$ 1,138,763	\$ 346,886	\$ 437,462	\$ 739,569
670,023	665,016	800,761	718,883	1,004,970	898,438
3,981,507	8,896,687	9,863,255	14,987,990	7,171,508	4,557,202
298,721	538,940	413,959	658,609	1,463,986	368,177
241,107	267,356	56,408	373,557	445,655	493,827
<u>5,459,008</u>	<u>12,967,862</u>	<u>12,273,146</u>	<u>17,085,925</u>	<u>10,523,581</u>	<u>7,057,213</u>
<u>\$ 5,459,008</u>	<u>\$ 12,967,862</u>	<u>\$ 12,273,146</u>	<u>\$ 17,085,925</u>	<u>\$ 10,523,581</u>	<u>\$ 7,057,213</u>

CITY OF AGOURA HILLS
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2009	2010	2011	2012
General Fund				
Reserved	\$ 134,910	\$ 132,485		
Unreserved	8,959,990	10,213,579		
Nonspendable			\$ 31,299,253	\$ 141,253
Unassigned			8,547,388	8,883,578
Total general fund	<u>\$ 9,094,900</u>	<u>\$ 10,346,064</u>	<u>\$ 39,846,641</u>	<u>\$ 9,024,831</u>
All Other Governmental Funds				
Reserved	\$ 22,888,774	\$ 21,487,071		
Unreserved, reported in:				
Special revenue funds	10,395,593	5,077,850		
Capital projects funds	5,535,244	6,246,015		
Debt service funds	8,958	2,948		
Nonspendable			\$ 25	\$ -
Restricted			19,256,902	1,329,096
Committed			5,719,151	4,254,585
Assigned			488,970	3,393,238
Unassigned			(31,333,386)	(726,092)
Total all other governmental funds	<u>\$ 38,828,569</u>	<u>\$ 32,813,884</u>	<u>\$ (5,868,338)</u>	<u>\$ 8,250,827</u>

Note: The change of fund balance descriptions is due to the implementation of Governmental Accounting Standards Board Statement No. 54(GASB54) for the fiscal year ended June 30, 2011. Information prior to the implementation of GASB 54 is unavailable.

Source: City of Agoura Hills financial data

Fiscal Year					
2013	2014	2015	2016	2017	2018
			\$ 50,000	\$ 345,275	\$ 350,028
\$ 141,664	\$ 17,383,605	\$ 17,365,764	26,368,875	26,450,720	26,525,470
8,395,180	8,494,117	9,083,645	9,623,733	9,815,071	10,386,556
<u>\$ 8,536,844</u>	<u>\$ 25,877,722</u>	<u>\$ 26,449,409</u>	<u>\$ 35,992,608</u>	<u>\$ 36,611,066</u>	<u>\$ 37,262,054</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,025,338	5,165,834	1,569,275	1,641,181	1,723,643	1,649,754
4,007,782	4,162,269	4,350,376	3,770,779	4,067,536	4,310,623
4,095,172	4,618,668	411,423	557,239	559,083	595,322
(1,203,852)	-	(3,154,713)	(5,974,136)	(4,708,451)	(3,498,679)
<u>\$ 7,924,440</u>	<u>\$ 13,946,771</u>	<u>\$ 3,176,361</u>	<u>\$ (4,937)</u>	<u>\$ 1,641,811</u>	<u>\$ 3,057,020</u>

CITY OF AGOURA HILLS
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year			
	2009	2010	2011	2012
Revenues				
Taxes	\$ 15,534,187	\$ 14,617,232	\$ 14,661,200	\$ 12,278,663
Licenses and permits	265,706	395,989	288,600	329,863
Intergovernmental revenues	5,540,391	2,829,479	1,801,400	2,424,323
Charges for services	851,052	1,391,044	1,680,175	1,679,567
Fines and forfeitures	273,040	274,144	240,884	215,936
Use of money and property	1,038,662	670,791	365,301	313,926
Other revenues	658,490	1,347,064	3,099,374	677,494
Total Revenues	<u>24,161,528</u>	<u>21,525,743</u>	<u>22,136,934</u>	<u>17,919,772</u>
Expenditures				
General government	2,862,969	4,861,099	4,670,903	4,015,644
Pass through to other agencies	3,805,788	3,677,954	3,602,569	1,449,565
Public safety	4,186,728	4,067,469	4,354,162	4,094,222
Community development	1,899,937	1,760,141	1,540,226	997,422
Community services	1,945,018	2,172,320	1,856,083	1,475,157
Public works	2,542,687	2,129,187	2,141,322	2,638,353
Capital outlay	8,021,635	5,662,811	11,392,225	1,980,972
Debt service				
Interest	1,245,976	1,396,358	1,381,089	925,126
Principal payments	165,000	365,000	380,000	395,000
Total expenditures	<u>26,675,738</u>	<u>26,092,339</u>	<u>31,318,579</u>	<u>17,971,461</u>
Excess of revenues over (under) expenditures	<u>(2,514,210)</u>	<u>(4,566,596)</u>	<u>(9,181,645)</u>	<u>(51,689)</u>
Other Financing Sources (Uses)				
Debt proceeds	-	-	-	-
Premium/(discount) on debt issuance	-	-	-	-
Transfers in	3,206,479	10,821,932	34,881,363	6,410,105
Transfers out	(3,206,479)	(10,821,932)	(34,881,363)	(6,410,105)
Proceeds from sale of capital asset				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Special Item				
Net change in fund balances	<u>\$ (2,514,210)</u>	<u>\$ (4,566,596)</u>	<u>\$ (9,181,645)</u>	<u>\$ (51,689)</u>
Debt service as a percentage of noncapital expenditures	7.6%	8.6%	8.8%	8.3%

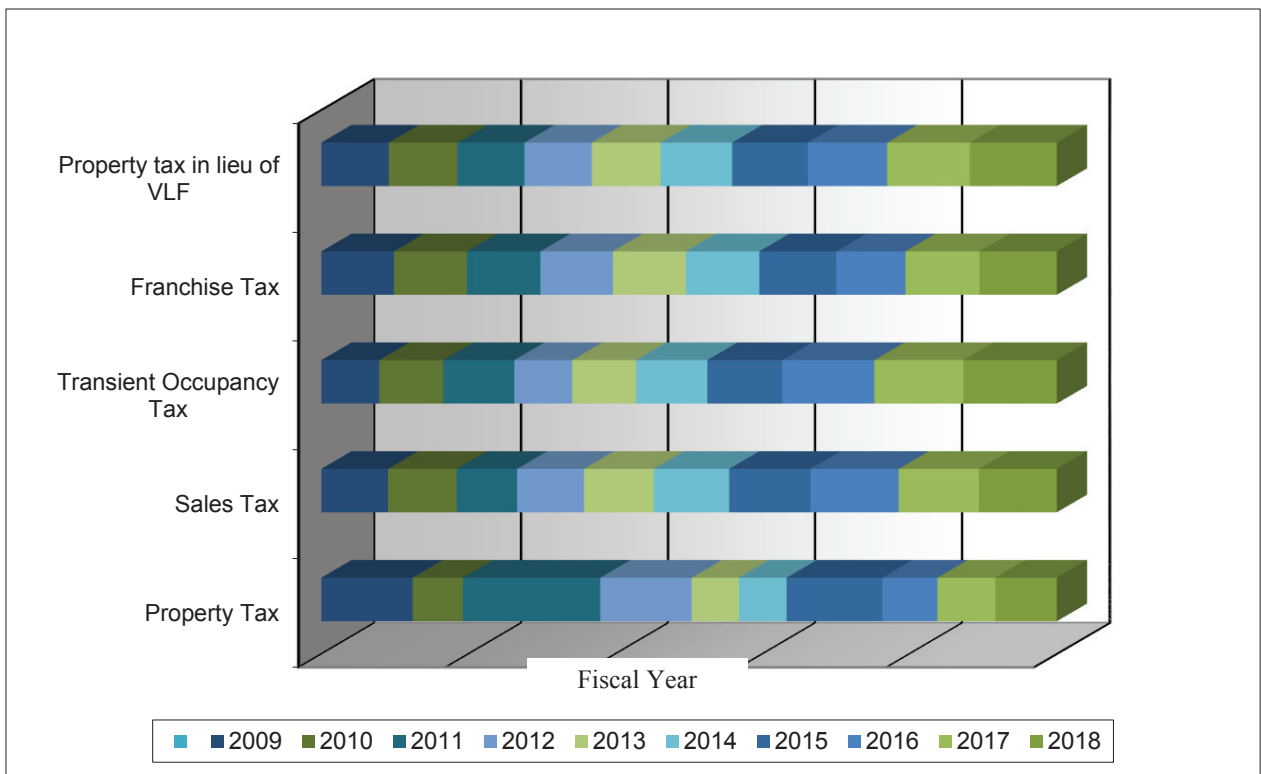
Source: City of Agoura Hills financial data

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ 10,483,355	\$ 11,270,895	\$ 12,062,480	\$ 12,598,500	\$ 12,403,165	\$ 12,894,034
394,768	430,875	503,586	524,799	480,926	661,719
2,181,324	9,755,904	7,390,407	13,346,694	8,882,237	6,745,712
1,710,409	1,420,436	1,188,228	1,018,776	1,464,484	1,217,282
154,311	133,653	139,746	104,803	90,403	88,793
157,882	197,514	15,564	203,689	784,617	1,026,429
174,803	195,034	707,911	303,505	590,037	989,254
<u>15,256,852</u>	<u>23,404,311</u>	<u>22,007,922</u>	<u>28,100,766</u>	<u>24,695,869</u>	<u>23,623,223</u>
3,811,416	8,209,942	3,951,759	3,935,083	4,094,097	4,162,104
-	-	-	-	-	-
4,295,475	4,356,837	4,012,790	4,182,601	4,459,069	4,665,151
986,968	983,413	1,665,528	1,481,732	1,556,843	1,646,839
1,951,342	1,999,590	2,176,803	2,481,518	2,741,433	2,857,247
2,281,079	2,995,490	2,089,716	2,315,180	2,702,303	2,709,199
2,076,715	3,783,745	18,666,025	15,906,914	7,557,446	4,302,347
473,231	763,158	631,316	625,051	1,157,560	599,458
195,000	200,000	210,000	290,000	10,605,000	310,000
<u>16,071,226</u>	<u>23,292,175</u>	<u>33,403,937</u>	<u>31,218,079</u>	<u>34,873,751</u>	<u>21,252,345</u>
<u>(814,374)</u>	<u>112,136</u>	<u>(11,396,015)</u>	<u>(3,117,313)</u>	<u>(10,177,882)</u>	<u>2,370,878</u>
-	3,675,000	-	-	10,055,000	-
-	52,984	-	-	800,234	-
1,961,194	3,749,109	2,247,685	1,569,645	1,496,432	1,096,808
(1,961,194)	(3,749,109)	(2,247,685)	(1,569,645)	(1,496,432)	(1,096,808)
-	-	-	-	924,014	175,000
-	3,727,984	-	-	11,779,248	175,000
					184,159
<u>\$ (814,374)</u>	<u>\$ 3,840,120</u>	<u>\$ (11,396,015)</u>	<u>\$ (3,117,313)</u>	<u>\$ 1,601,366</u>	<u>\$ 2,730,037</u>
4.8%	4.9%	5.7%	6.0%	43.1%	5.3%

CITY OF AGOURA HILLS
Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Transient Occupancy Tax	Franchise Tax	Property tax in lieu of VLF	Total
2009	7,837,992	3,388,117	1,767,254	764,392	1,776,432	15,534,187
2010	7,586,568	2,948,718	1,590,124	757,737	1,734,085	14,617,232
2011	7,034,500	3,050,187	1,709,143	703,309	1,716,083	14,213,222
2012	4,678,338	3,379,646	1,738,467	753,957	1,728,255	12,278,663
2013	2,565,839	3,485,596	1,915,323	758,890	1,757,705	10,483,353
2014	2,678,400	3,859,515	2,134,688	762,214	1,839,717	11,274,534
2015	2,742,000	3,790,000	2,244,728	800,139	1,938,084	11,514,951
2016	2,819,000	4,471,077	2,764,208	718,696	2,033,448	12,806,429
2017	2,958,298	3,805,109	2,670,834	767,787	2,119,014	12,321,042
2018	3,128,689	3,924,897	2,788,088	799,866	2,216,903	12,858,443
Change 2009-2018	-60.08%	15.84%	57.76%	4.64%	24.80%	-17.22%



Notes: Includes all governmental fund types (General, Special Revenue, Capital Projects and Debt Service Funds).

CITY OF AGOURA HILLS

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal years

(in thousands of dollars)

Fiscal Year	Land	Improvements	Personal Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2009	1,943,554	1,967,527	312	14,051	3,897,342	1.0764%
2010	1,919,453	1,953,601	615	15,882	3,857,787	1.0818%
2011	1,940,771	1,956,441	807	15,556	3,882,463	1.1086%
2012	1,934,879	2,002,645	1,378	16,663	3,922,239	1.1086%
2013	2,032,603	2,103,373	1,363	17,064	4,120,275	1.1236%
2014	2,175,810	2,185,634	2,173	17,301	4,346,316	1.1170%
2015	2,293,585	2,286,622	2,253	17,581	4,564,879	1.1125%
2016	2,419,636	2,352,608	2,124	19,540	4,754,828	1.1085%
2017	2,543,117	2,439,867	1,935	10,511	4,974,408	1.1114%
2018	2,667,460	2,503,374	2,071	20,924	5,151,981	1.1233%

Note: In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at a time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above. The County does not provide breakout of residential, commercial and industrial assessed values to the cities.

Source: County of Los Angeles, Auditor - Controller

CITY OF AGOURA HILLS
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year	Overlapping Rates					Total Tax Rates
	Basic County (1)	Los Angeles County	School Districts	Water Districts	Flood Control District	
2009	1.0000	0.0000	0.0721	0.0043	0.0000	1.0764
2010	1.0000	0.0000	0.0775	0.0043	0.0000	1.0818
2011	1.0000	0.0000	0.1049	0.0037	0.0000	1.1086
2012	1.0000	0.0000	0.1049	0.0037	0.0000	1.1086
2013	1.0000	0.0000	0.1201	0.0035	0.0000	1.1236
2014	1.0000	0.0000	0.1135	0.0035	0.0000	1.1170
2015	1.0000	0.0000	0.1090	0.0035	0.0000	1.1125
2016	1.0000	0.0000	0.1050	0.0035	0.0000	1.1085
2017	1.0000	0.0000	0.1079	0.0035	0.0000	1.1114
2018	1.0000	0.0000	0.1198	0.0035	0.0000	1.1233

Note: (1) In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of school, water and flood control district bonds. The City of Agoura Hills receives 5.85% of the 1% property tax rate.

Source: California Municipal Statistics, Inc.

CITY OF AGOURA HILLS
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Tishman Speyer Archstone Smith	\$124,158,506	1	2.50%	\$142,850,720	1	3.58%
ARHC MBAGHCA01 LLC	61,077,033	2	1.23%			
Lexington Agoura Hills LLC	55,035,035	3	1.11%			
Khanna Enterprises LP	42,178,154	4	0.85%			
FW CA Twin Oaks Shopping Center	31,809,395	5	0.64%	23,834,713	10	0.60%
Whizin Market Square LLC	30,387,055	6	0.61%	26,724,000	5	0.67%
Oak Creek Square LLC	28,788,417	7	0.58%			
Hankey Investment Company LP	27,954,120	8	0.56%			
Kids from the Valley V LLC	25,161,670	9	0.51%			
Apple Seven Hospitality	24,076,709	10	0.48%	26,064,760	6	0.65%
Teredyne Inc				37,101,036	2	0.93%
RDB Agoura Hills LLC				33,988,368	3	0.85%
Arden Realty LP				24,449,400	8	0.61%
Countrywide Home Loans Inc				23,975,944	9	0.60%
MEF Realty LLC				27,265,000	4	0.68%
Executive Center in Simi Valley				25,940,000	7	0.65%
Total	<u>\$ 450,626,094</u>		<u>9.06%</u>	<u>\$392,193,941</u>		<u>9.82%</u>

The amounts shown above include assessed value data for both the City and the Redevelopment Agency.

Source: California Municipal Statistics, Inc.

**City of Agoura Hills
Secured Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	2,241,091	2,040,506	91.05%	122,366	2,162,872	96.51%
2010	2,161,454	2,012,132	93.09%	77,094	2,089,226	96.66%
2011	2,158,455	2,012,517	93.24%	45,259	2,057,776	95.34%
2012	2,186,162	2,070,611	94.71%	51,656	2,122,267	97.08%
2013	2,207,605	2,098,798	95.07%	54,541	2,153,339	97.54%
2014	2,298,395	2,196,070	95.55%	35,028	2,231,098	97.07%
2015	2,413,441	2,315,154	95.93%	32,839	2,347,993	97.29%
2016	2,506,669	2,422,101	96.63%	18,062	2,440,163	97.35%
2017	2,607,191	2,511,264	96.32%	43,571	2,554,835	97.99%
2018	2,704,330	2,639,148	97.59%	0	2,639,148	97.59%

Sources: City of Agoura Hills financial information.
County of Los Angeles, Auditor - Controller.
California Municipal Statistics, Inc.

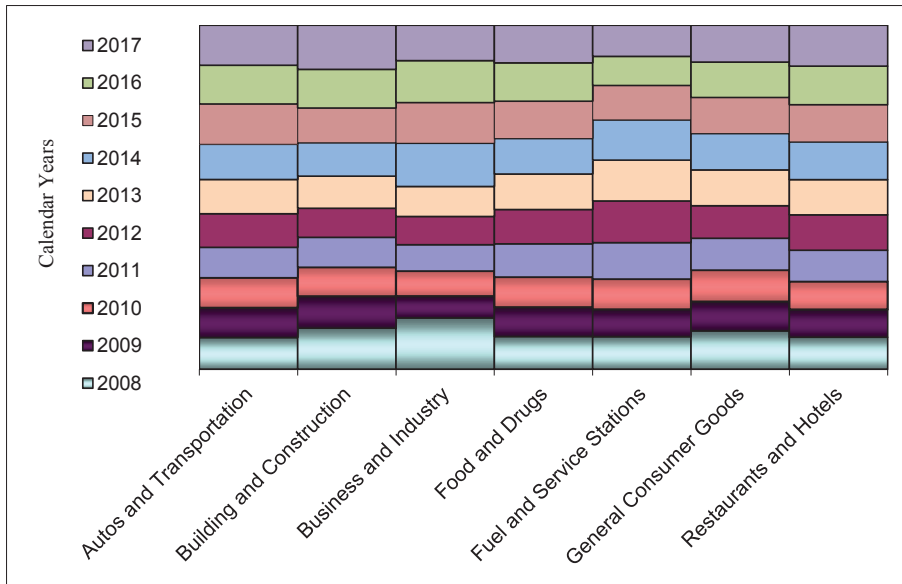
CITY OF AGOURA HILLS

Taxable Sales by Category

Last Ten Calendar Years

(in thousands of dollars)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Autos and Transportation	\$ 99	\$ 93	\$ 94	\$ 95	\$ 105	\$ 107	\$ 110	\$ 126	\$ 121	\$ 125
Building and Construction	188	146	133	137	133	147	153	159	177	202
Business and Industry	811	344	398	416	446	474	683	643	664	559
Food and Drugs	248	222	229	252	260	269	269	283	291	285
Fuel and Service Stations	701	587	654	784	897	879	866	741	627	670
General Consumer Goods*	857	654	704	711	727	800	812	806	791	823
Restaurants and Hotels	588	509	515	574	650	647	693	683	709	751
Total	#####	\$2,555	\$2,727	#####	#####	\$3,323	\$3,586	#####	\$3,380	\$3,415
City direct sales tax rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%



Notes: Calendar year 2018 not available.

* Includes Other Taxable

Source: HdL Companies

CITY OF AGOURA HILLS
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>Los Angeles County</u>	<u>State of California</u>
2009	0.00%	2.00%	6.25%
2010	0.00%	2.50%	7.25%
2011	0.00%	1.50%	7.25%
2012	0.00%	1.50%	7.25%
2013	0.00%	1.50%	7.50%
2014	0.00%	1.50%	7.50%
2015	0.00%	1.50%	7.50%
2016	0.00%	1.50%	7.50%
2017	0.00%	1.50%	8.00%
2018	0.00%	2.25%	7.25%

Source: California State Board of Equalization

CITY OF AGOURA HILLS
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita)

Governmental Activities									
Fiscal Year	1999 Lease Revenue Bonds (1)	2008 RDA Tax Allocation Bonds (2)	2008 RDA Housing Set-Aside Bonds (3)	2013 Lease Revenue Bonds(4)	2016 Lease Refunding Bonds	Capital Leases	Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
2009	-	5,750	10,000	-	-	-	15,750	1.11%	258
2010		5,690	9,850	-	-		15,540	1.46%	298
2011		5,640	9,720	-	-		15,360	1.57%	321
2012		5,580	9,570	-	-		15,150	1.54%	314
2013		5,515		-	-		9,190	0.84%	173
2014		5,515	-	3,675			9,190	0.98%	202
2015		-		3,675			3,605	0.35%	71
2016		-		3,605	10,555		14,160	1.37%	282
2017				3,530	9,825		13,355	1.25%	266
2018				3,455	9,590		13,045	1.22%	259

- Notes: (a) See Schedule for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- (1) These Lease Revenue Bonds were issued during fiscal year 1999 , and refunded in March 2007.
- (2) 2008 Tax Allocation Bonds issued June 5 to finance certain redevelopment projects within the Agoura Hills Redevelopment Area. (See Note 2)
- (3) June 5, 2008, the RDA issued Housing Set-Asie Tax Allocation Bonds bonds to finance low and moderate income housing of the Agoura Hills Redevelopment Agency.
- (4) September 1, 2013, the City issued Lease Revenue Bonds to finance a portion of the recreation center project.

Sources: Department of Finance
City of Agoura Hills financial data

CITY OF AGOURA HILLS
Ratio of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
(dollars in thousands, except per capita)

Fiscal Year	Lease Refunding Bonds	Redevelopment Bonds	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2009	\$ 11,665	\$ 15,570	\$ 27,235	0.68%	\$ 1,171.40
2010	\$ 11,490	\$ 15,560	\$ 27,050	0.69%	\$ 1,329.76
2011	\$ 11,310	\$ 15,360	\$ 26,670	0.69%	\$ 1,307.80
2012	\$ 11,125	\$ 15,150	\$ 26,275	0.68%	\$ 1,287.17
2013	\$ 10,930		\$ 10,930	0.28%	\$ 533.17
2014	\$ 14,405		\$ 14,405	0.35%	\$ 702.13
2015	\$ 14,195		\$ 14,195	0.33%	\$ 691.49
2016	\$ 13,905		\$ 13,905	0.30%	\$ 674.18
2017	\$ 13,355		\$ 13,355	0.28%	\$ 629.63
2018	\$ 13,045		\$ 13,045	0.26%	\$ 620.66

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements
(1) See schedule for property value data.
(2) See schedule for population data.

Source: City of Agoura Hills financial data.

CITY OF AGOURA HILLS
Direct and Overlapping Governmental Activities Debt
For the Year Ended June 30, 2018

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes			
Los Angeles County Flood Control District	\$ -	0.000 %	\$ -
Metropolitan Water District	60,600,000	0.185	112,110
Los Angeles Community College District	4,165,830,000	0.637	26,536,337
Las Virgenes Joint Unified School District	125,636,474	22.524	28,298,359
Los Angeles Co. Regional Park & Open Space Assessment Dist.	26,575,000	0.355	94,341
Other debt			
Los Angeles County General Fund Obligations	1,921,992,404	0.355	6,823,073
Los Angeles County Supt. of Schools Certificates of Participation	6,500,306	0.355	23,076
Las Virgenes Joint Unified School District Certificates of Participation	10,825,617	22.524	<u>2,438,362</u>
Subtotal, overlapping debt			64,325,659
City direct debt			
City of Agoura Hills General Fund Obligations	13,045,000	100.000	13,045,000
Total direct and overlapping debt			<u><u>\$ 77,370,659</u></u> (b)

Notes: (a) Percentage of overlapping agency's assessed valuation located within the boundaries of the city. The method used was ratio of the overlapping district's assessed valuation that lies within the city multiplied by the total debt outstanding.
(b) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Sources: California Municipal Statistics, Inc.
City of Agoura Hills financial data

CITY OF AGOURA HILLS
Legal Debt Margin Information
Last Ten Fiscal Years
(dollars in thousands)

	Fiscal Year			
	2018	2017	2016	2015
Debt limit	\$ 189,674	\$ 181,391	\$ 174,088	\$ 165,786
Total net debt applicable to limit	-	-	-	-
Legal debt margin	<u>\$ 189,674</u>	<u>\$ 181,391</u>	<u>\$ 174,088</u>	<u>\$ 165,786</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2018

Assessed Valuations:	
Gross Assessed Value	<u>\$ 5,057,982</u>
Debt Limitation - 3.75% of Total Assessed Val	\$ 189,674
Less debt applicable to limitation	-
Legal Debt Margin	<u>\$ 189,674</u>

Notes: Under state finance law, the city's outstanding general obligation debt should not exceed 15 percent of total assessed property value. The Code section was enacted when assessed valuations were based on 25% of full market value. This has since changed to 100% of full market value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Sources: County of Los Angeles, Auditor - Controller
City of Agoura Hills financial data
California Municipal Statistics, Inc.

2014	2013	Fiscal Year 2012	2011	2010	2009
\$ 157,301	\$ 150,109	\$ 148,608	\$ 147,562	\$ 149,109	\$ 152,754
-	-	-	-	-	-
<u>\$ 157,301</u>	<u>\$ 150,109</u>	<u>\$ 148,608</u>	<u>\$ 147,562</u>	<u>\$ 149,109</u>	<u>\$ 152,754</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

CITY OF AGOURA HILLS
Demographic and Economic Statistics
Last Ten Calendar Years

<u>Calendar Year</u>	<u>Population (1)</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income (2)</u>	<u>Median Age (2)</u>	<u>Percentage of Residents with at least some college</u>	<u>City Unemployment Rate (3)</u>
2009	23,250	1,417,285	60,959	38.0	77%	5.0%
2010	20,342	1,061,385	52,177	39.0	77%	5.5%
2011	20,393	976,050	47,862	38.5	83%	5.5%
2012	20,413	986,417	48,323	42.5	82%	4.9%
2013	20,500	1,090,457	53,193	42.5	96%	4.5%
2014	20,516	933,437	45,498	42.5	96%	3.6%
2015	20,528	1,036,500	50,492	42.5	96%	6.1%
2016	20,625	1,036,241	50,242	43.2	96%	4.3%
2017	21,211	1,066,532	50,282	42.5	95%	3.7%
2018	21,018	1,128,793	53,706	45.0	95%	4.4%

* Projected figures

(1) Source: State of California, Department of Finance

(2) Source: UCSB Economic Forecast Project

(3) Source: State of California, Employment Development Department, Labor Market Information Division

CITY OF AGOURA HILLS
Principal Employers
Current Year and Nine Years Ago

Company or Organization	Activity	Fiscal Year			
		2018		2009	
		Employees	Percentage to Total City Employment	Employees	Percentage of Total City Employment
Bank Of America	Banking	420	3.59%	755	6.51%
Las Virgenes USD	Government	495	4.23%	503	4.34%
Nuance (Formerly Touch Commerce)	Internet	175	1.50%	256	2.21%
Teradyne Inc	Manufacturing	223	1.91%	205	1.77%
IBM Corporation	Technology	163	1.39%		0.00%
Cydcor LLC	Sales	148	1.26%		0.00%
Wood Ranch	Restaurant	135	1.15%	100	0.86%
Zebra Technologies	Publishing	110	0.94%		0.00%
Farmers Financial Solutions	Insurance	110	0.94%	200	1.72%
Motor Vehicle Software Corp/VITU	Technology	141	1.21%		0.00%
THQ Inc	Publishing			505	4.35%
Employers Direct Insurance	Insurance			211	1.82%
Community Medical Group	Medical			160	1.38%
Renaissance Hotel	Hotel			120	1.03%
	Total Top Employers	2,120	18.12%	3,015	25.99%
	Total City Employment (1)	11,700		11,600	

Source: Results based on direct correspondence with city's local businesses

CITY OF AGOURA HILLS

Full-time Equivalent City Government Employees by Function/Program

Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2009	2010	2011	2012	2013
General government	9.45	9.85	9.85	9.78	10.30
Community development	6.50	4.80	4.10	4.65	6.27
Community services	7.00	7.00	7.00	7.00	7.00
Public works	6.50	6.55	6.35	6.70	6.00
Building and safety	3.50	3.00	3.00	3.00	3.00
Redevelopment/Successor Agency	3.05	3.80	5.50	3.87	1.43
Total full-time equivalent employees	<u>36.00</u>	<u>35.00</u>	<u>35.80</u>	<u>35.00</u>	<u>34.00</u>

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

The City implemented Statement 34 in 2003; however, the City implemented Statement 44 in 2006.

Schedules presenting government-wide information include information beginning in that year.

Sources: City of Agoura Hills financial information

2014	2015	Fiscal Year 2016	2017	2018
10.30	10.48	10.48	10.49	10.07
6.27	5.30	5.30	5.26	5.72
7.00	7.95	7.95	8.00	8.00
6.00	5.00	5.00	5.00	5.00
3.00	3.00	3.00	3.00	3.00
1.43	1.27	1.27	1.25	1.21
<u>34.00</u>	<u>33.00</u>	<u>33.00</u>	<u>33.00</u>	<u>33.00</u>

CITY OF AGOURA HILLS
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year			
	2009	2010	2011	2012
Parks and recreation				
Number of City sponsored events	28	34	34	36
Public Works				
Street resurfacing (lane miles)	7	7	8	3
Solid Waste				
Residential Recycling Collected (pounds)*	15,789,700	14,518,840	18,702,640	15,014,000
Electronics Collected (pounds)*	10,994	3,943	18,791	13,241
Used Oil Collection (gallons)	1,130	867	775	921
Automobile Battery Collections (pounds)	2,288	1,920	1,000	1,450
Used Paint Collection (gallons)	2,256	1,959	1,967	3,027
Transportation				
Total route (miles)	115,188	122,274	137,395	179,945
Passengers (annually)	17,594	20,014	32,501	38,122

Note: The City implemented Statement 34 in 2003; however, the City implemented Statement 44 in 2006.

Schedules presenting government-wide information include information beginning in that year.

* Residential Recycling Collected includes items such as paper/cardboard/glass/metal/plastic & greenwaste

Electronics did not have a city collection program prior to 2008

Source: Various city departments

	Fiscal Year				
2013	2014	2015	2016	2017	2018
36	40	44	45	45	42
3	2	2	2	2	2
15,086,440	15,261,800	14,877,780	15,123,660	15,675,500	15,646,400
11,755	13,011	10,801	10,504	6,099	7,857
620	519	462	415	335	235
6,138	640	1,000	700	760	500
1,933	1,165	1,013	1,120	556	1,160
166,772	121,435	77,582	93,813	93,674	104,180
34,760	20,296	12,668	10,880	9,070	9,014

CITY OF AGOURA HILLS
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2009	2010	Fiscal Year 2011	2012
<u>Public works</u>				
Bridges	19	19	19	19
Streets/Highway (miles)	126	126	126	126
Traffic signals	100	100	100	100
<u>Parks and recreation</u>				
Basketball courts				
Full	1	1	1	1
Half Courts	3	3	3	3
Community centers	1	1	1	1
Recreation Centers	1	1	1	1
Parks	6	6	6	6
Tennis courts	9	9	9	9

Note: The City implemented Statement 34 in 2003; however, the City implemented Statement 44 in 2006. Schedules presenting government-wide information include information beginning in that year.

Source: Various city departments

2013	2014	2015	Fiscal Year 2016	2017	2018
19	19	19	19	19	19
126	126	130	130	130	130
100	100	100	100	100	100
1	1	1	1	1	1
3	3	3	3	3	3
1	1	1	1	1	1
1	1	1	1	1	1
6	6	6	6	6	6
9	9	9	9	8	8

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